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LEGISLATIVE HISTORY

Public Law 123--82nd Congress

Chapter 344--1st Session

S. 684

TABLE OF CONTENTS

Digest of Public Law 123	1
Index and Summary of History on S. 684	2

DIGEST OF PUBLIC LAW 123

AMENDS THE BANKHEAD-JONES FARM TENANT ACT: Authorizes the Secretary of Agriculture to insure mortgage loans up to \$25,000,000 each year without regard to farm population or the prevalence of tenancy, and retains the \$100,000,000 limitation on insurance of mortgages in any one year.

Authorizes loans for reorganization of the farm enterprise or the making of major changes in farming practices.

Increases the limit on initial production and subsistence loans from \$3,500 to \$7,000, and increases the limit on the total outstanding indebtedness of any one borrower from \$5,000 to \$10,000.

Extends from 5 to 7 years the term of repayment of operating loans, and the maximum period which a borrower has to liquidate his indebtedness to be eligible for further financial assistance.

Authorizes the Secretary to delay his request for refinancing until the borrower has acquired a sufficient equity in the farm to enable the holder of an insured mortgage to refinance the loan on an uninsured basis. And authorizes deferment of the initial payment on both real-estate and production and subsistence loans to a date 2 full crop years after the date of the loan.

INDEX AND SUMMARY OF HISTORY ON S. 684

January 25, 1951	S. 684 was introduced by Senator Magnuson; was read twice and referred to the Committee on Agriculture and Forestry. Print of Bill as introduced.
June 11, 1951	Senate reported S. 684 with amendments. Report No. 387. Print of Bill as reported
June 21, 1951	S. 684 passed the Senate as reported.
June 22, 1951	Referred to House Agriculture Committee. Print of Bill as referred.
July 25, 1951	Hearings: House, on H.R. 2642
August 8, 1951	Ordered reported.
August 7, 1951	S. 684 reported without amendments by the House. House Report No. 803. Print of Bill as reported in the House.
August 13, 1951	Passed the House without amendments.
August 21, 1951	Extension of Remarks of Hon. Robert E. Jones, Jr.
August 24, 1951	Approved. Public Law 123

82D CONGRESS
1ST SESSION

S. 684

IN THE SENATE OF THE UNITED STATES

JANUARY 25 (legislative day, JANUARY 8), 1951

MR. MAGNUSON introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sections of the Bankhead-Jones Farm
4 Tenant Act, as amended (60 Stat. 1062), are hereby
5 amended as follows:

6 Amend section 4 by striking out the period at the end
7 of said section and adding the following words: "and for

1 the purpose of insuring mortgages there may be allotted in
2 any fiscal year among the States and Territories, without
3 regard to farm population or the prevalence of tenancy, such
4 portions of the authorization provided in section 12 (b) not
5 exceeding in the aggregate \$50,000,000 as are determined
6 by the Secretary to be necessary to insure mortgages in the
7 States and Territories under this title.”

8 SEC. 2. Amend section 12 (b) by striking from the
9 first sentence the figures “\$100,000,000” and substituting
10 in lieu thereof the figures “\$200,000,000”.

11 SEC. 3. Amend section 21 to read:

12 “SEC. 21. (a) The Secretary may make loans to farmers
13 and stockmen who are citizens of the United States for the
14 purchase of livestock, seed, feed, fertilizer, farm equipment,
15 supplies, and other farm needs, the cost of reorganizing the
16 farming enterprise or changing farming practices to accom-
17 plish more diversified or more profitable farming operations,
18 the refinancing of existing indebtedness, and for family sub-
19 sistence.

20 “(b) No loan shall be made under this section for the
21 purchase or leasing of land or for the carrying on of any
22 land-purchase or land-leasing program. No initial loan to
23 any one borrower under this section shall exceed \$7,000 and
24 no further loan may be made under this section to a borrower
25 so long as the total amount outstanding, including accrued

1 interest, taxes, and other obligations properly chargeable to
2 the account of the borrower, exceeds \$10,000.

3 “(c) The terms of loans under this section, including
4 any renewal or extension of any such loan, shall not exceed
5 seven years from the date the original loan was made.

6 “(d) No person who has failed to liquidate his indebt-
7 edness under this section for seven consecutive years shall
8 be eligible for loans hereunder until he has paid such in-
9 debtedness in full, except that the indebtedness on loans
10 made prior to November 1, 1946, which are being serviced
11 and collected by the Farmers Home Administration, shall
12 not be subject to the limitations of this section until Novem-
13 ber 1, 1953.”

14 SEC. 4. Amend section 44 (c) by changing the period
15 at the end of said section to a colon and adding the following
16 proviso: “*Provided, however,* That in the case of mortgage
17 loans heretofore or hereafter insured under this title, the
18 Secretary may at his discretion delay his request for refinanc-
19 ing until the borrower has acquired a sufficient equity in the
20 farm to enable the borrower to obtain a loan on a non-
21 insured basis from the holder of the insured mortgage.”

22 SEC. 5. Amend section 48 by adding at the end of
23 said section the following sentence: “The foregoing require-
24 ments shall not preclude establishing the initial annual
25 payment at a date not exceeding two full crop years from

A BILL

To amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes.

By Mr. MAGNUSON

JANUARY 25 (legislative day, JANUARY 8), 1951
Read twice and referred to the Committee on
Agriculture and Forestry

1 the date of the loan where the Secretary determines that
2 farm income sufficient to make the initial payment cannot
3 be readily anticipated at an earlier date, but this provision
4 shall not have the effect of extending the maximum term
5 of any loan.”

82^D CONGRESS
1ST SESSION

S. 684

[Report No. 387]

IN THE SENATE OF THE UNITED STATES

JANUARY 25 (legislative day, JANUARY 8), 1951

Mr. MAGNUSON introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

JUNE 11 (legislative day, MAY 17), 1951

Reported by Mr. JOHNSTON of South Carolina, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sections of the Bankhead-Jones Farm
4 Tenant Act, as amended (60 Stat. 1062), are hereby
5 amended as follows:

6 ~~Amend section 4 by striking out the period at the end~~
7 ~~of said section and adding the following words: "and for~~

1 the purpose of insuring mortgages there may be allotted in
 2 any fiscal year among the States and Territories, without
 3 regard to farm population or the prevalence of tenancy, such
 4 portions of the authorization provided in section 12 (b) not
 5 exceeding in the aggregate \$50,000,000 as are determined
 6 by the Secretary to be necessary to insure mortgages in the
 7 States and Territories under this title." Amend section 4
 8 by striking out the words "and insuring mortgages" and "in-
 9 sure mortgages or" where they occur in said section and
 10 amend the last sentence of section 12 (b) to read as follows:

11 *"With respect to any fiscal year, one-quarter of the*
 12 *amount available for insurance, commitments and ac-*
 13 *ceptance of mortgages under this title shall be distributed*
 14 *among the several States and Territories on the basis of*
 15 *bona fide applications and the availability of farms with*
 16 *respect to which loans may be insured and the balance*
 17 *shall be distributed on the basis provided in section 4,*
 18 *and preferences shall be given to mortgages executed by*
 19 *veterans qualified under section 1."*

20 SEC. 2. Amend section 12 (b) by striking from the
 21 first sentence the figures "\$100,000,000" and substituting
 22 in lieu thereof the figures "\$200,000,000".

23 SEC. 3 2. Amend section 21 to read:

24 "SEC. 21. (a) The Secretary may make loans to farmers
 25 and stockmen who are citizens of the United States for the

1 purchase of livestock, seed, feed, fertilizer, farm equipment,
2 supplies, and other farm needs, the cost of reorganizing the
3 farming enterprise or changing farming practices to accom-
4 plish more diversified or more profitable farming operations,
5 the refinancing of existing indebtedness, and for family sub-
6 sistence.

7 “(b) No loan shall be made under this section for the
8 purchase or leasing of land or for the carrying on of any
9 land-purchase or land-leasing program. No initial loan to
10 any one borrower under this section shall exceed \$7,000 and
11 no further loan may be made under this section to a borrower
12 so long as the total amount outstanding, including accrued
13 interest, taxes, and other obligations properly chargeable to
14 the account of the borrower, exceeds \$10,000.

15 “(c) The terms of loans under this section, including
16 any renewal or extension of any such loan, shall not exceed
17 seven years from the date the original loan was made.

18 “(d) No person who has failed to liquidate his indebt-
19 edness under this section for seven consecutive years shall
20 be eligible for loans hereunder until he has paid such in-
21 debtedness in full, except that the indebtedness on loans
22 made prior to November 1, 1946, which are being serviced
23 and collected by the Farmers Home Administration, shall
24 not be subject to the limitations of this section until Novem-
25 ber 1, 1953.”

1 SEC. 4-3. Amend section 44 (c) by changing the period
2 at the end of said section to a colon and adding the following
3 proviso: "*Provided, however, That in the case of mortgage*
4 *loans heretofore or hereafter insured under this title, the*
5 *Secretary may at his discretion delay his request for refinanc-*
6 *ing until the borrower has acquired a sufficient equity in the*
7 *farm to enable the borrower to obtain a loan on a non-*
8 *insured basis from the holder of the insured mortgage the*
9 *holder of the insured mortgage to refinance the loan on an*
10 *uninsured basis under laws or regulations to which he may*
11 *be subject."*

12 SEC. 5 4. Amend section 48 by adding at the end of
13 said section the following sentence: "The foregoing require-
14 ments shall not preclude establishing the initial annual
15 payment at a date not exceeding two full crop years from
16 the date of the loan where the Secretary determines that
17 farm income sufficient to make the initial payment cannot
18 be readily anticipated at an earlier date, but this provision
19 shall not have the effect of extending the maximum term
20 of any loan."

A BILL

To amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a non-insured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes.

By Mr. MAGNUSON

JANUARY 25 (legislative day, JANUARY 8), 1951
Read twice and referred to the Committee on
Agriculture and Forestry
JUNE 11 (legislative day, MAY 17), 1951
Reported with amendments

DISTRIBUTION OF INSURED MORTGAGE LOANS AND
LIMITATIONS ON PRODUCTION AND SUBSISTENCE
LOANS

JUNE 11 (legislative day, MAY 17), 1951.—Ordered to be printed

Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, submitted the following

REPORT

[To accompany S. 684]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 684) to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes, having considered the same, report thereon with a recommendation that it do pass with amendments.

S. 684 was referred to a subcommittee for consideration and was reported favorably by the subcommittee on June 6, 1951. The subcommittee recommended several amendments to the bill and these amendments were approved by the committee. A copy of the subcommittee report which explains the provisions of the bill and the amendments proposed and includes a copy of the report of the Department of Agriculture is attached hereto as a part of this report.

REPORT OF THE SUBCOMMITTEE OF THE COMMITTEE ON AGRICULTURE AND
FORESTRY ON S. 684, TO AMEND THE BANKHEAD-JONES FARM TENANT ACT

Your subcommittee, appointed to consider S. 684, to amend the Bankhead-Jones Farm Tenant Act, submits the following report with the recommendation that the bill be enacted with amendments.

1. On page 1, beginning on line 6, strike out all through line 7 on page 2, and insert the following:

"Amend section 4 by striking out the words 'and insuring mortgages' and 'insure mortgages or' where they occur in said section and amend the last sentence of section 12 (b) to read as follows:

" 'With respect to any fiscal year, one-quarter of the amount available for insurance, commitments and acceptance of mortgages under this title shall be

distributed among the several States and Territories on the basis of bona fide applications and the availability of farms with respect to which loans may be insured and the balance shall be distributed on the basis provided in Section 4, and preferencees shall be given to mortgages executed by veterans qualified under section 1.' "

2. On page 2, beginning on line 8, strike out all of section 2, and renumber sections 3, 4, and 5 as sections 2, 3, and 4.

3. On page 3, lines 20 and 21, strike out the words "the borrower to obtain a loan on a noninsured basis from the holder of the insured mortgage" and insert the words "the holder of the insured mortgage to refinance the loan on an uninsured basis under laws or regulations to which he may be subject."

ANALYSIS OF THE BILL

S. 684, as introduced and referred to your subcommittee, would amend the Bankhead-Jones Farm Tenant Act to authorize the Secretary to insure mortgage loans totaling up to \$50,000,000 each year without regard to farm population or the prevalence of tenancy.

Section 2 would increase the total amount of farm mortgages which could be insured by the Secretary each year from \$100,000,000 to \$200,000,000.

Section 4 would permit the Secretary at his discretion to postpone refinancing of insured loans until such time as the borrower had acquired sufficient equity in the farm to meet the legal requirements to which the holder of the insured mortgage may be subject in making uninsured loans.

Section 3 would increase the limit of initial production and subsistence loans from \$3,500 to \$7,000 and the total outstanding indebtedness of any borrower on all such loans from \$5,000 to \$10,000. Section 3 would extend both the term of repayment of operating loans, and the maximum period during which a borrower may be indebted in order to be eligible for further financial assistance from 5 to 7 years. Section 3 would also clarify the authority of the Secretary to assist farmers who are diversifying or reorganizing their farming enterprises or making major changes in their farming practices.

Section 5 would authorize the Secretary, at his discretion, to postpone the initial annual repayment on both real-estate loans and production and subsistence loans to a date not exceeding two full crop years after the date of the loan in those instances where he determines that farm income will not be sufficient to make the initial payment at an earlier date.

STATEMENT

Your subcommittee conducted a hearing on S. 684 at which all witnesses testified in support of the legislation. Favorable recommendations were received from Members of Congress, officials representing the Department of Agriculture, farm organizations, and a veterans' organization. Several amendments to the bill were proposed during the hearing, and after consideration of testimony and reports on the bill your subcommittee recommends enactment of S. 684 with the amendments explained below.

INSURANCE OF FARM MORTGAGE LOANS

The Farmers Home Administration Act of 1946 amended title I of the Bankhead-Jones Farm Tenant Act to authorize the Secretary to insure mortgage loans made by private lenders for the purpose of enabling eligible borrowers to acquire, enlarge, and improve family-sized farm units. To be eligible for insurance, the mortgages must require, among other things, amortization by annual payments in not more than 40 years, provide for a base rate of interest of 3-percent per annum, secure a principal obligation not to exceed 90 percent of the normal earning capacity value of the farm and necessary repairs and improvements thereon, and contain a covenant by the borrower to pay the Secretary an initial and annual charge of 1 percent of the principal obligation, one-half to be paid into a mortgage insurance fund, and the remaining half to be used by the Secretary for administrative expenses. The Secretary makes all collections and services the loans for the lenders of the funds.

Previous to amendment by the Farmers Home Administration Act of 1946, real-estate loans under title I of the Bankhead-Jones Farm Tenant Act were made primarily for the purchase of farms by farm tenants, farm laborers, and sharecroppers. Distribution of these loans among the States and Territories was made according to a formula contained in section 4 of the act which requires they be

distributed upon the prevalence of farm tenancy and farm population. When, in 1946, the Secretary was authorized to insure real-estate loans made by private lenders up to an amount not exceeding \$100,000,000 per year, the same formula was applied to distribution of the insured mortgage loans. However, approximately 52 percent of the loans now insured are for the improvement or enlargement of farms owned by applicants, and distribution of these insured loans according to farm tenancy and farm population, has not proven equitable in meeting demands in several States. Allotments for the fiscal year 1950 were insufficient in five States, and the maximum allocation for insured loans already has been reached in five States in the current 1951 fiscal year. In addition, the allocation ceiling has been closely approached in 12 additional States where full operation of the program will undoubtedly be curtailed.

The bill, as introduced, would have authorized the Secretary to allocate up to \$50,000,000 per year for insurance of mortgage loans without regard to the formula based on farm tenancy, and would have increased the total amount of insured mortgage loans from \$100,000,000 to \$200,000,000. Evidence presented to your subcommittee shows that less than half of the total amount which could be insured in the current fiscal year will be insured this year, and therefore, your subcommittee believes that the present limitation of \$100,000,000 per year is inadequate. Furthermore, your subcommittee believes that complete abandonment of the formula prescribing the allocation of insured mortgage loans among the States and Territories would not be required in achieving a satisfactory program. Therefore, your subcommittee recommends that up to \$25,000,000 of insured mortgage loans be allocated among the States and Territories without regard to the formula, and that the remaining \$75,000,000 be allocated on the basis of farm population and tenancy as is done with the entire amount at present.

The Bankhead-Jones Farm Tenant Act now directs the Secretary to require the borrower to refinance the insured loan on a noninsured basis when he has acquired sufficient equity in the farm which will enable him to secure such a loan. However, the holder of the insured mortgage may not be able at the moment to meet the legal requirements to which he may be subject in making a noninsured loan even though he planned to continue providing the necessary credit to the borrower. Section 4 of S. 684 would permit the Secretary, at his discretion, to postpone the refinancing of insured loans in order to enable the holder of the insured mortgage to refinance the loan on a noninsured basis under laws or regulations to which he may be subject. The borrower, however, would be free to obtain a noninsured loan from other sources if he so desired. In its report on S. 684, the Department of Agriculture recommended an amendment to section 4 to clarify the intent of the legislation, and your subcommittee recommends that the bill be amended in that manner.

PRODUCTION AND SUBSISTENCE LOANS

Title II of the Bankhead-Jones Farm Tenant Act now authorizes the Secretary to make production and subsistence loans, limiting the initial loan to not more than \$3,500, and the total outstanding indebtedness of any borrower for all such loans to \$5,000. The maximum period of repayment is now 5 years. When these limitations were placed in the act by the Farmers Home Administration Act of 1946, they were based upon farming practices and credit needs at that time. The current situation is different in that the total investment required for efficient farming has increased considerably. The total average investments for farm machinery and productive livestock on family-operated farms in four major types of farming areas during 1949, according to a Bureau of Agricultural Economics study, were as follows: \$8,941 for Wisconsin dairy farms; \$7,912 for wheat, corn, and livestock farms in the Northern Plains; \$7,487 for hog, corn, and beef cattle farms in the Corn Belt; and \$6,800 for combination cotton and dairy farms in the South. These figures do not include annual operating capital needed for carrying out the farming operations, and therefore do not necessarily represent the total amount of credit needed. At the same time, the prices farmers have to pay for items used in their operations have increased sharply since 1946. For example, machinery and livestock which could have been purchased with a \$3,500 loan in 1946 would require \$5,900 in March 1951. This represents an increase of 61 percent.

Your subcommittee believes that the present limitations will not provide adequate credit for farmers to carry on effective farming operations, and that the increases proposed in the bill are justified. Experience has also proven that some types of farming often do not provide immediate income to borrowers which would allow them to make initial loan repayments in the first year or

repay the loan entirely within 5 years. The proposed extension of the term of operating loans from 5 to 7 years would enable many borrowers to carry out more orderly production plans, and the proposed postponement of the initial repayment not to exceed a period of 2 years from the date of the loan would prevent hardships in those selected cases where increased income will not be forthcoming immediately.

CONCLUSION

For the foregoing reasons, your subcommittee urges favorable consideration of S. 684, as amended. A copy of the report of the Department of Agriculture on S. 684, dated May 22, 1951, is attached hereto as a part of this report.

OLIN D. JOHNSTON, *Chairman.*
CLINTON P. ANDERSON.
JAMES O. EASTLAND.
MILTON R. YOUNG.
KARL E. MUNDT.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, May 22, 1951.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR ELLENDER: This is in response to your request of January 26, 1951, for a report on S. 684 entitled "A bill to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes."

Section 1 of the bill would authorize the Secretary to insure a limited amount of mortgages without regard to farm population or the prevalence of tenancy, as is now required by section 4 of the Bankhead-Jones Farm Tenant Act, as amended. It is proposed that up to \$50,000,000 may be allotted among the States and Territories, without regard to the statutory factors, in such amounts as the Secretary determines to be necessary to insure mortgages in each fiscal year. This allocation would be in addition to the authorized \$100,000,000 allotted among the States and Territories under existing formula. The amount apportioned to each State or Territory now may be adjusted among the States and Territories only when necessary to permit the insuring of all loans to eligible veterans.

The volume of insured mortgage loans has greatly accelerated since the enactment of Public Law 720, Eightieth Congress. Lenders seeking to invest funds are showing an ever-increasing interest in the program. One thousand one hundred and four insured loans were approved in the fiscal year 1949, and 2,323 insured loans were approved in the fiscal year 1950. It is estimated that over 4,500 loans will be insured in the fiscal year 1951. Allotments for the fiscal year 1950 were insufficient in five States, and have already proven to be insufficient in four States in the present fiscal year. As a result there are pending a large number of applications from nonveterans for insured loans which cannot be processed in these States.

Approximately 52 percent of the loans now insured are for the improvement or enlargement of farms already owned by the applicants. The need for such loans to farm owners, as distinguished from acquisition loans to farm tenants, was recognized in the amendments contained in the Farmers Home Administration Act of 1946, which authorized improvement and enlargement loans. Present allotments, to the extent that they are based upon the prevalence of farm tenancy, do not adequately reflect the need for this type of loan to farm owners.

We believe that allotments up to \$50,000,000 without regard to farm population and tenancy, in addition to amounts presently allotted, will be necessary to meet the need for insured loans in the several States and Territories.

Section 2 of the bill would increase the insurance authorization from \$100,000,000 to \$200,000,000. This would permit the Secretary to insure up to \$200,000,000 in title I loans each fiscal year. One hundred and fifty million dollars would be allotted under the farm population and tenancy provisions and up to \$50,000,000 would be allotted without regard to these factors. The increased authorization would only permit the insuring of an average of 10 farm mortgages per county

each year in each of the 3,000 agricultural counties in which activities are carried on under title I.

Section 4 of the bill would permit the Secretary, at his discretion, to postpone the refinancing of insured loans, as required by section 44 (c) of the act, until such time as the borrower has acquired sufficient equity in the farm to meet the legal requirements to which the holder of an insured mortgage may be subject in making uninsured loans. We suggest that the purposes and extent of this authority might be more clearly stated in the bill by striking from section 4 the words "the borrower to obtain a loan on a noninsured basis from the holder of the insured mortgage" and by substituting therefor the words "the holder of the insured mortgage to refinance the loan on an uninsured basis under laws or regulations to which he may be subject."

Some investors in insured mortgages make the initial loan with the purpose in mind of observing the progress of the borrower until such time as the borrower's equity in the farm is sufficient to enable the lender to take over the loan without the benefit of Government insurance. Under existing law, whenever the Secretary determines that credit on a noninsured basis at reasonable rates and terms is available to the borrower, he must request the borrower to refinance the insured loan. It may be that, although such credit is available from other sources, the holder of the insured mortgage cannot, because of loan-value ratio regulations, convert the obligation to an uninsured loan. We believe the proposed amendment would serve to develop a better working relationship with lenders who desire to convert, when permissible, the original advance to a conventional-type real-estate loan. On the other hand, the proposed amendment would not require the borrower to accept a noninsured loan from the holder but the borrower would have the option of selecting a lender of his own choosing at any time he is able to obtain a loan from a private or cooperative source.

Section 3 of the bill proposes to amend existing loan limitations governing loans made under title II. The maximum amount which may be initially loaned would be increased from \$3,500 to \$7,000 and the total amount of indebtedness which a borrower under title II may have outstanding would be extended from \$5,000 to \$10,000.

Present conditions make it extremely desirable to increase both the maximum amount of the loans which may be made and the period during which such loans must be repaid. The amount and kind of credit necessary to start or place family-type farming operations on a sound basis varies with the type of farming to be carried on in the areas in which credit is to be used. Moreover, modern farming requires a more extensive use of credit than in any previous period of our history. To achieve greater efficiency and security in the operation of family-type farms, additional mechanization, increased use of fertilizer, additional investments in soil improvement, fencing, and livestock require considerably more available cash or credit than was required 10 years ago.

The transition from a single cash-crop system of farming to a diversified system is the only means by which many family-type farmers can increase their incomes in amounts sufficient to produce a living for the farm family, meet operating expenses, fixed overhead costs, repay loans, and maintain or improve the fertility of the soil. The necessity of converting many farm operations to a diversified system has been accentuated by the disastrous production losses recently experienced in many single cash-crop areas. The initial credit necessary for many low-income family-type farm operators to undertake successfully a sound conversion program is above the average loans in some single-crop areas.

If the amendment with respect to the maximum amount of the loans is enacted, we think it is essential to increase the present maximum repayment period so as to accommodate the loans of larger amounts and to provide a more realistic basis of repayment in the case of borrowers who are beginners or engage in a conversion or improvement program because it will enable them to repay the loan from increased returns which materialize after the program is well under way. Section 3 of the bill would permit the Secretary to extend the repayment period for operating loans over a period of 7 years in lieu of the present maximum 5-year period. It is difficult to say that the proposed 7-year period for repayment would accommodate all cases. While the repayment period for a large number of cases should probably be from 7 to 8 years, there are many circumstances under which a repayment period of 10 years would be necessary in connection with changing farming systems and farm operations and fully justified by eventual, though not immediate, increase in farm income.

Section 3 of the bill would likewise extend from 5 to 7 years the maximum period during which a title II borrower may be indebted in order to be eligible for

further operating loan assistance. In computing the indebtedness outstanding for the 7-year period, loans made prior to November 1, 1946, which are being serviced and collected by the Farmers Home Administration pursuant to the Farmers Home Administration Act of 1946, would not be included until November 1, 1953. Section 3 of the bill would also clarify the authority to assist farmers who are reorganizing their farm enterprises or making major changes in their farming practices.

Section 5 of the bill would permit the Secretary to schedule the initial repayment at a date not exceeding two full crop years after the date of the loan in those instances where he determines that farm income sufficient to make the initial payment cannot be readily anticipated at an earlier date. Under existing law, the repayment schedule must provide for annual repayments beginning with the year in which the loan is made. In assisting farmers in converting unsound, single cash crop systems of farming to sound diversified systems and in assisting beginning farmers, it is often found that the continuing costs exceed increased returns for the first 2 years when relatively large investments in machinery, land improvement, livestock and fencing are being made. Such investments, however, are effective means of increasing the net income of the farm over a reasonable period of years and will far more than pay for themselves if the repayment schedule can be realistically geared to the actual increase in income resulting from the original expenditures. In many such instances no repayment should be scheduled during the first 2 years. Also, the owners or purchasers of some new farms, particularly on reclaimed land, and farms requiring extensive development or improvement financed under the act will need a similar postponement of the initial repayment. This amendment would apply to loans under title I and title II but it would not have the effect of extending the maximum term of any loan.

Subject to the foregoing comments, this Department recommends enactment of S. 684.

In view of the subsequent request that this report be submitted immediately, we are not awaiting advice from the Bureau of the Budget as to the relationship of this report to the program of the President.

Sincerely yours,

C. J. McCORMICK,
Acting Secretary.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

BANKHEAD-JONES FARM TENANT ACT

TITLE I.—TENANT PURCHASE LOANS AND MORTGAGE INSURANCE

* * * * *

SEC. 4. In making loans [and insuring mortgages] under this title, the amount which is devoted to such purposes during any fiscal year shall be distributed equitably among the several States and Territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary: *Provided*, That there may be distributed to each State such amounts as are necessary to [insure mortgages or] finance loans pursuant to all bona fide applications from veterans qualified under section 1 hereof: *Provided further*, That there may be disbursed in any fiscal year to each State or Territory such amount not in excess of \$100,000 as is determined by the Secretary to be necessary to finance loans in such State or Territory under this title.

* * * * *

SEC. 12. * * *

(b) The aggregate amount of principal obligations on all mortgages insured under this title, on all mortgages with respect to which commitments to insure have been made, and on all mortgages accepted for the account of the fund and not disposed of under section 14 shall not exceed \$100,000,000 in any one fiscal year. [With respect to any fiscal year, the amount available for insurance, commitment, and acceptance of mortgages under this title shall be distributed

among the several States and Territories on the basis provided in section 4 and preferences shall be given to mortgages executed by veterans qualified under section 1.】 *With respect to any fiscal year, one-quarter of the amount available for insurance, commitments and acceptance of mortgages under this title shall be distributed among the several States and Territories on the basis of bona fide applications and the availability of farms with respect to which loans may be insured and the balance shall be distributed on the basis provided in Section 4, and preferences shall be given to mortgages executed by veterans qualified under section 1.*

* * * * *

TITLE II.—PRODUCTION AND SUBSISTENCE LOANS

BORROWERS AND TERMS

SEC. 21. 【Out of the funds made available under section 23, the Secretary may make loans to farmers and stockmen who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment and supplies, other farm needs, the refinancing of indebtedness and family subsistence: *Provided*, That no loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program: *Provided further*, That, under this section, (1) the initial loan to any one borrower shall not exceed \$3,500 and no further loan may be made by the Secretary under this title to a borrower so long as the total amount outstanding to that borrower, including interest and taxes or other liens and obligations which have accrued and are properly chargeable to the account of the borrower, exceeds \$5,000; (2) the term of any such loan, including renewals and extensions, shall not exceed five years from the date the original loan was made; and (3) no person who has failed to liquidate his indebtedness under this section for five consecutive years shall be eligible for further loans hereunder until he has paid such indebtedness in full, except that indebtedness to the Farm Security Administration or the Emergency Crop and Feed Loan Offices heretofore created shall not be included until five years from the effective date of the Farmers' Home Administration Act of 1946, in determining the amounts of loans, terms of loans, and five-year period for eligibility set forth in this section.】 *(a) The Secretary may make loans to farmers and stockmen who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs, the cost of reorganizing the farming enterprise or changing farming practices to accomplish more diversified or more profitable farming operations, the refinancing of existing indebtedness, and for family subsistence.*

(b) No loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program. No initial loan to any one borrower under this section shall exceed \$7,000 and no further loan may be made under this section to a borrower so long as the total amount outstanding, including accrued interest, taxes, and other obligations properly chargeable to the account of the borrower, exceeds \$10,000.

(c) The terms of loans under this section, including any renewal or extension of any such loan, shall not exceed seven years from the date the original loan was made.

(d) No person who has failed to liquidate his indebtedness under this section for seven consecutive years shall be eligible for loans hereunder until he has paid such indebtedness in full, except that the indebtedness on loans made prior to November 1, 1946, which are being serviced and collected by the Farmers Home Administration, shall not be subject to the limitations of this section until November 1, 1953.

* * * * *

TITLE IV.—GENERAL PROVISIONS

SEC. 44. The Secretary, under this Act—

* * * * *

*(c) Shall, in the case of every loan, require in the loan and security instruments that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, Federal land bank, or other responsible cooperative or private credit source at rates (but not exceeding the rate of 5 per centum per annum) and terms for loans for similar periods of time and purposes prevailing in the area in which the loan is to be made, the borrower shall, upon request of the Secretary, apply for the accept such loan in sufficient amount to repay the Secretary and to pay for any stock necessary to be purchased in the cooperative lending agency in connection with the loan: *Provided, however, That in the case of mortgage loans heretofore or hereafter insured under this title, the Secre-**

tary may at his discretion delay his request for refinancing until the borrower has acquired a sufficient equity in the farm to enable the holder of the insured mortgage to refinance the loan on an uninsured basis under laws or regulations to which he may be subject.

* * * * *

SEC. 48. The Secretary shall require annual payments in installments sufficient to pay any obligations or indebtedness to him under this Act within the term of such obligation or indebtedness. The Secretary shall provide a method whereby a borrower may pay any obligation or indebtedness by a system of variable payments under which a surplus above the required installment for any year may be paid in periods of above-normal income and employed to reduce payments below the required annual payment in subsequent periods of subnormal income. Any advance payments to the Secretary shall not affect the obligation to pay the required annual installment during periods of normal or above-normal income. *The foregoing requirements shall not preclude establishing the initial annual payment at a date not exceeding two full crop years from the date of the loan where the Secretary determines that farm income sufficient to make the initial payment cannot be readily anticipated at an earlier date, but this provision shall not have the effect of extending the maximum term of any loan.*





United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 82^d CONGRESS, FIRST SESSION

Vol. 97

WASHINGTON, MONDAY, JUNE 11, 1951

No. 103

Senate

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in whose peace our restless spirits are quieted, the fierce storms sweeping across our world have left us weary with watching; these testing times are revealing our every weakness. In these times of tension and clamor, anxiety and uncertainty, we turn to the infinite calm of Thy changeless love that we may find inner sustenance, wells of living water springing up, courage in battling for truth and serenity under strain. Give us a readiness for the severe disciplines of self-control demanded by these days of crisis and destiny. So gird the lives of Thy servants here in the ministry of public affairs that they may make all decisions greatly, walk on the high levels of noble purposes and with kindling sympathies as wide as human need in all things quit them like men. In the Redeemer's blessed name. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 8, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 652. An act for the relief of the estate of Mattie Mashaw; and

H. R. 2918. An act for the relief of Peter E. Kolesnikoff.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. HILL, and by unanimous consent, the Committees on Armed Services and Foreign Relations, sitting jointly, were authorized to meet this

afternoon during the session of the Senate.

On request of Mr. HILL, and by unanimous consent, the Committee on the Judiciary was authorized to meet this afternoon during the session of the Senate.

On request of Mr. JOHNSTON of South Carolina, and by unanimous consent, the Committee on the District of Columbia was authorized to meet this afternoon during the session of the Senate.

On request of Mr. McKELLAR, and by unanimous consent, the Committee on Appropriations was authorized to meet this afternoon during the session of the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to make insertions in the RECORD and transact routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

TIDELANDS—RESOLUTION OF EXECUTIVE COMMITTEE, MASSACHUSETTS BAR ASSOCIATION, BOSTON, MASS.

Mr. SALTONSTALL. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the executive committee of the Massachusetts Bar Association, at Boston, Mass., on May 16, 1951, relating to the confirmation of the rights and title of Massachusetts within its boundaries.

There being no objection, the resolution was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

MASSACHUSETTS BAR ASSOCIATION,
Boston, Mass., June 6, 1951.

The President of the United States and the Honorable Members of the Senate and of the House of Representatives of the United States:

As members of the executive committee of the Massachusetts Bar Association we respectfully submit for your consideration the following resolution (adopted May 16, 1951):

"Resolution on tidelands

"Whereas Massachusetts received title to its submerged sea lands from the English Crown by the Colony Charter of 1629 subject to certain reserved rights of the Crown, and said title and that of persons holding there-

under were confirmed by the Crown by the Province Charter of 1692 and all reserved rights of the Crown were released and ceded to the Commonwealth by the Definitive Treaty of 1783 and protected by the Constitution of the United States, especially by the tenth amendment, and were recognized by the Supreme Court of the United States in *Harcourt v. Gaillard* (12 Wheat. 524), and many other cases as specifically set forth and explained in the Massachusetts Law Quarterly for March 1950; and

"Whereas by chapter 289 of the acts of 1859 (now sec. 3 of ch. I of the General Laws of Massachusetts) the territory was specifically defined as follows:

"Sec. 3. The territorial limits of the Commonwealth shall extend one marine league from its seashore at extreme low-water mark. If an inlet or arm of the sea does not exceed two marine leagues in width between its headlands, a straight line from one headland to the other shall be equivalent to the shore line"; and

"Whereas the United States never acquired any title to the submerged sea lands of Massachusetts, one of the Original Thirteen States, except by express cession, but the Supreme Court of the United States, in recent cases to which Massachusetts was not a party, has confirmed a claim of the United States to such submerged sea lands of all of the Original Thirteen States and thus clouded the title of Massachusetts land, which claim is called 'paramount rights in and power and dominion over' the sea lands 'an incident to which is full dominion over the resources of the soil under that water area.' (See *U. S. v. California* (332 U. S. at p. 38), and these rights are asserted to transcend those of a mere property owner (see p. 29).)

"Now, therefore, the members of the executive committee of the Massachusetts Bar Association urge upon the Congress the passage of pending legislation to confirm the rights and title of Massachusetts within its historic boundaries."

This resolution supplements the memorial of the Massachusetts Legislature of March 18, 1948 (partly reprinted in the Massachusetts Law Quarterly for March 1950) and the resolution of this committee in support of similar legislation then pending in Congress, which was sent to the President and all Members of Congress in April 1949.

Samuel P. Sears, President; Reuben Hall, Vice President, Newton; Thomas M. A. Higgins, Lowell; Paris Fletcher, Worcester; Fredric S. O'Brien, Lawrence; Bennett Sanderson, Littleton; Frederick M. Myers, Pittsfield; Incz Di Persio, Belmont; Fletcher Clark, Jr., Middleboro; William B. Sleigh, Jr., Marblehead; Frank W. Grinnell, secretary, Boston.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry:

S. 684. A bill to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes; with amendments (Rept. No. 387).

By Mr. McCARRAN, from the Committee on the Judiciary, without amendment:

S. 885. A bill for the relief of Wong Thew Hor (Rept. No. 388);

S. 1417. A bill for the relief of Lefrancois & Chamberland, Inc. (Rept. No. 389);

S. 1442. A bill for the relief of Marie Louise Dewulf Maquet (Rept. No. 390);

S. 1443. A bill for the relief of Rev. Thomas K. Sewall (Rept. No. 391);

H. R. 389. A bill for the relief of the State of Maryland (Rept. No. 392);

H. R. 616. A bill for the relief of Thomas J. Zafriadis (Rept. No. 393);

H. R. 740. A bill for the relief of John Reginald Leat (Rept. No. 394);

H. R. 1268. A bill for the relief of Dr. Jiri Liska (Rept. No. 395);

H. R. 1791. A bill for the relief of Joe Tortolini (Rept. No. 396);

H. R. 1799. A bill for the relief of Bella and Archle Kennison (Rept. No. 397);

H. R. 1844. A bill for the relief of Capt. William Greenwood (Rept. No. 398);

H. R. 2107. A bill for the relief of Edward M. Chapman, Roland P. Davis, and the Fidelity & Casualty Co. of New York (Rept. No. 399);

H. R. 2363. A bill for the relief of Mr. and Mrs. Emil Sbarbori, Edna Perfetti, and Anthony Perfetti (Rept. No. 400);

H. R. 2372. A bill for the relief of Michael Post-Posniakoff and Zinaida Post-Posniakoff (Rept. No. 401);

H. R. 2453. A bill for the relief of John R. Harris (Rept. No. 402);

H. R. 2852. A bill for the relief of Quon Mee Gee, also known as Loui Slu Lin (Rept. No. 403); and

H. R. 3133. A bill for the relief of Chln Yuen Ling, minor unmarried Chinese child of a United States citizen (Rept. No. 404).

By Mr. McCARRAN, from the Committee on the Judiciary, with an amendment:

S. 530. A bill for the relief of Gerhard H. A. Anton Behr (Rept. No. 405);

S. 580. A bill for the relief of Jean Marie Newell (Rept. No. 406);

S. 674. A bill for the relief of Arthur Koestler (Rept. No. 407);

S. 1009. A bill for the relief of Ella Marla Nyman (Rept. No. 408);

S. 1242. A bill for the relief of Salomon Henri Laifer (Rept. No. 409);

H. R. 1103. A bill for the relief of Sidney Young Hughes (Rept. No. 410);

H. R. 3229. A bill for the relief of Mrs. Albert W. Lack (Rept. No. 411); and

H. R. 3576. A bill to amend the Displaced Persons Act of 1948, as amended (Rept. No. 412).

By Mr. McCARRAN, from the Committee on the Judiciary, with amendments:

S. 17. A bill to provide general rules of practice and procedure before Federal agencies (Rept. No. 413);

S. 1390. A bill to amend sections 1505 and 8486 of title 18 of the United States Code relating to congressional investigations (Rept. No. 414), and

H. R. 1800. A bill for the relief of Lucy Kong Lee (Rept. No. 415).

By Mr. KILGORE, from the Committee on the Judiciary:

H. R. 1746. A bill to amend subdivisions d and e of section 58 of the Bankruptcy Act, approved July 1, 1898, and acts amendatory thereof and supplementary thereto; without amendment (Rept. No. 417).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report favorably, an original concurrent resolution (S. Con. Res. 34), favoring the suspension of deportation of certain aliens, and I submit a report (No. 416) thereon.

The VICE PRESIDENT. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 34) was ordered to be placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-4828658, Barclay, Harry Louis or Samuel Barclay formerly Harry Louis Fredman.

A-5233113, Barclay, Lily or Lilly Fredman or Leah Lily Barclay.

A-5398969, Barclay, Virginia Esther or Esther Virginia Barclay or Esther Virginia Fredman.

A-6843506, Baum, Gizella (nee Gizella Jakabovits or Jakabovitz).

A-2292547, Chang, Chsl Chu.

A-6848605, Chang, Ko Nan.

A-6847892, Chang, Emily C. C. Chen (nee Chen).

A-6857745, Cipresso, Salvatore.

A-1641711, Darlo, Tomaso Genero alias Thomas Jerry Dario or Tomaso G. Dorio or Thomas Genero Dareo.

A-4151075, Doria, Salvatore.

A-6197800, Enomoto, Taketaro.

A-7358981, Feliciano, Roswitha Anna.

A-7750394, Fountain, Eric Arthur.

A-7351116, Franklin, Rose Marie.

A-7351115, Franklin, Rene.

A-4685496, Galdi, Anna (nee Maddaloni).

A-7356368, Gazzola, Lodovico or Nick or Nico Gazzola.

A-1520684, Gonsalves, Christlano Fernandes.

A-5999281, Groshans, Anna (Anna Lola) (nee Schmidt) (Schmidt or Anna Schmidt de Kardos or Anna Binder or Charlotte Leiter).

A-3171177, Guseloff, Asen or Asen Gusel.

A-7197984, Guzman, Marta or Martha.

A-1795886, Handas, Constantinos Leonidas or Gus Handas or Constantinos Hantas or Costas Leonidas Handas or Costas Handas or Gus Leonidas Handas.

A-7199031, Hernandez-Vera, Ramon.

A-5029822, Heron, Owen Leonard.

A-5356280, Hlsayama, Yoshiro.

A-4010890, Hronich, Nick Anthony or Nicola Hronich.

A-7363567, Kilian, Karin Evelyn.

A-4499146, Koch, Joseph or John Monto.

A-3390092, Lee, Shee Kwan.

A-7264236, Lemos-Saldana, Margarito.

A-7034609, Leonor, Alicia Elena.

A-7028557, Leonor, Ana Isabel Melida Lulsa.

A-4992202, Lin, Che-Fun or Che-Fun Lum, alias Stanley Che-Fun Lin alias Lum Chi Fun or Chi Fun Lum.

A-4325764, Ludwig, George.

A-4198674, Ludwig, Eva.

A-7059961, Malatek, Renate.

A-3739789, Marchian, Giuseppe or Joseph Stephen Marchian.

A-4399058, Massas, Abdel Kader.

A-4920115, Meertens, Peter Jacob.

A-3999061, Morizawa, Teruo or Harry Morizawa.

A-6972087, Mortti, Fanny Sofia or Fanny Sofia Kallama.

A-7240194, Navarrete, Narciso or Narciso Navarrete-Zapata.

A-5966623, Nishioka, Aiko or Aiko Fukuchi or Aiko Yoshida Fukuchi or alias Aiko Kumagal or Alice Aiko Yoshida or Alice Aiko Fukuchi.

A-7476335, Noroyan, Ardavast.

A-6409626, Ortiz-Ayala, Salvador.

A-4099850, Panorgios, Vasilios or Vasilios Nick Panorgios or Vasilios Nicolosee Panorgios or Billy Panorgios or Vasilios Nicolosee or Billy Panorgios.

A-6528279, Phillips, Sita Teresa or Teresa Sita Phillips.

A-7362999, Pivrotto, Giovanna.

A-3641028, Romeo, Giuseppe or Joseph.

A-3586643, Salomon, Rudolf Julius.

A-4485793, Schellenkens, Wilhelmina (nee Kunze).

A-4310316, Schneider, John or Johan.

A-4419878, Schneider, Elizabeth (nee Schmalz).

A-3625373, Schummer, Rachel (nee Har-rls).

A-6855798, Shee, Yau Woo or Mrs. Yau-chang Foo or Yau Woo Yan Yu.

A-7051312, Simon, Jean Claude.

A-6612674, Simpson, Merle Jean.

A-3901179, Splos, Emanuel or Emanuel Costas Spiros.

A-6483079, Spitzer, Bela.

A-7416004, Stein, Judith (nee Judit Loef-lier).

A-1558544, Stravelakis, Nicholas or Nick or Nicolaos Panagiotis Stravelakis.

A-6611003, Struth, Aileen Emily or Aileen Emily Scott Plunkett.

A-6199583, Thomas, Antonia Sunecia Benito.

A-6965417, Thomas, Marjorie Mona (nee Shortland).

A-7127546, Tom, Sam Lee or Tham Cham.

A-4640409, Uyeno, Gilyu or Yoshio Uleno or Joe Uyero (or Ueno).

A-5461127, Yamakishi, Masui Shirichi or Ben Yamakishi.

A-2994930, Yuzuki, Katsuto or Sadao Yuzuki.

A-5545794, Adamovich, Samuel or Samuel Adamovic.

A-5834216, Aleksovich, Storian or Steve Alex or Stoyan Trifunovich.

A-6897669, Allen, Sonja Mildred Christel Natacha (nee Fuhrmann).

A-7647958, Ashman, Gertrude Ione (nee Hunt).

A-5367284, Bellinson, Lillian or Kellar (nee Gallca).

A-7759521, Benezra, Elias.

A-7247974, Bentley, Peter or Peter Kapic.

A-4651822, Berger, Seloma (Solomon) or Aleph Sol Berger or Sol Berger.

A-6079543, Browne, Nancy Angellina or Nancy Henry Browne.

A-6079548, Browne, Robert Henry.

A-6079550, Browne, Jean Marie.

A-6079553, Browne, William Henry Browne, Jr.

A-5345849, Burstien, Pauline or Pauline Westler.

A-6080949, Cammack, Antonia Nolasco nee Antonia Nolasco Estrero formerly Corales.

A-4699162, Capra, Pietro or Peter Capra.

A-4399802, Duncan, Alice Isabel (nee Wilson).

A-5963167, Evans, Wilfred Eric or Wilkle Evans.

A-4762161, Fernandez, Adriano or Andriano or Andrew Fernandes Toni or Tony or Antonio Gomes or Andriano Amorin or Amron Fernandez.

A-6873340, Godoy, Juana Dolores or Juana Dolores Guerrero.

A-4915738, Grilin, Jakovle or Jacob Green.

A-7890876, Hahalis, Stamatis George.

loss of his dependents in the same accident.

The present bill has been amended in amount so as to reflect the same amounts to be paid to Sergeant Martin as was authorized to be paid to Mr. Moak.

In view of the foregoing facts, the committee recommended that the bill be considered favorably.

Mr. HENDRICKSON. I thank the Senator, and I withhold objection.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill H. R. 1789, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the words "sum of", to strike out "\$15,000" and insert "\$10,500."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 2119) to amend sections 544 and 546 of title 28, United States Code, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. SCHOEPPPEL. By request, I ask that the bill go over.

Mr. McCARRAN. Mr. President, will the Senator withhold his objection to enable me to ask him a question?

Mr. SCHOEPPPEL. I should be glad to withhold it temporarily.

Mr. McCARRAN. Does the Senator care to state for whom he is making the objection?

Mr. SCHOEPPPEL. I am making the objection on behalf of the Senator from Idaho [Mr. WELKER].

The PRESIDING OFFICER. Objection is heard, and the bill will go over.

TREATMENT OF POWERS OF APPOINTMENT FOR ESTATE AND GIFT-TAX PURPOSES—BILL PLACED AT FOOT OF CALENDAR

The bill (H. R. 2084) relating to the treatment of powers of appointment for estate and gift-tax purposes was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Colorado. Mr. President, on behalf of the Senator from Minnesota [Mr. HUMPHREY], I ask that the bill go over. Personally, I favor passage of the bill, but the Senator from Minnesota has offered an objection.

Mr. GEORGE. Mr. President, following the call of the calendar, I shall move to proceed to the consideration of this bill, because it deals with a very important matter, namely, the extension of the lapse of a power of appointment. The present act has been extended annually since 1942, and the act, under the last extension, will expire June 30. Therefore there must be action, and, immediately after the call of the calendar is concluded, I shall request the privilege of moving that the Senate proceed to the consideration of this bill.

The PRESIDING OFFICER. Does the Senator ask that the bill go to the foot of the calendar?

Mr. GEORGE. I ask that it go to the foot of the calendar.

The PRESIDING OFFICER. The bill will go to the foot of the calendar, and will be acted upon at that time.

MOTOR CARRIER CLAIMS COMMISSION

The bill (S. 1042) to amend the act creating the Motor Carrier Claims Commission (Public Law 880, 80th Cong.) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act, approved July 2, 1948, creating the Motor Carrier Claims Commission (Public Law 880, 80th Cong.), is amended by striking out from said act section 13 in its entirety and by inserting in lieu thereof a new section 13 to read as follows:

"SEC. 13. The existence of the Commission shall terminate on June 30, 1953, or at such earlier time as the Commission shall have made its final report to Congress on all claims filed with it. Upon its dissolution the records of the Commission shall be delivered to the Archivist of the United States."

EXTENSION OF STATUTE OF LIMITATIONS IN CITIZENSHIP CASES

The bill (H. R. 2396) to amend chapter 213 of title 18 of the United States Code was considered, ordered to a third reading, read the third time, and passed.

CONDITIONAL RELEASE OF FEDERAL PRISONERS

The bill (H. R. 2924) to amend section 4164 of title 18, United States Code, relating to conditional release of Federal prisoners was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF BANKHEAD-JONES FARM TENANT ACT—BILL PASSED OVER

The bill (S. 684) to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, I think this bill requires an explanation, and I should appreciate one from the Senator who reported the bill.

The PRESIDING OFFICER. The Senator who reported the bill does not seem to be present.

Mr. HENDRICKSON. Then, Mr. President, under the circumstances, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

NOTICES OF MEETINGS, CREDITORS IN BANKRUPTCY CASES

The bill (H. R. 1746) to amend subdivisions (d) and (e) of section 58 of the Bankruptcy Act, approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was announced as next in order.

Mr. SCHOEPPPEL. Mr. President, may we have an explanation of the bill.

The PRESIDING OFFICER. The Senator from West Virginia [Mr. KIL-

CORE] reported the bill, but he does not appear to be present.

Mr. McCARRAN. Mr. President, this bill proposes to amend subdivisions (d) and (e) of section 58 of the Bankruptcy Act. Section 58 (a) provides that creditors be given 10 days' notice by mail of all meetings. Section 58 (d) presently requires that the notice of first meeting of creditors be published in newspapers. This bill will make such publication of notices discretionary with the court. This amendment is recommended by the Judicial Conference and it is estimated by the administrative office of the United States courts that \$50,000 of Federal funds would be saved.

Amendment of section 58 (e) simply provides that the General Accounting Office and the head of any department, agency or instrumentality of the Federal Government disclosed to be a creditor by such proceeding in addition to the Collector of Internal Revenue concerned be notified of first meeting of creditors. This amendment is recommended by the General Accounting Office and the Department of Justice.

Mr. SCHOEPPPEL. I have no objection.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 34) favoring the suspension of deportation of certain aliens was considered and agreed to.

(For text of above concurrent resolution, see CONGRESSIONAL RECORD, June 11, 1951, pp. 6480-6482.)

WONG THEW HOR

The bill (S. 885) for the relief of Wong Thew Hor was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the provisions of section 4 (a) and 9 of the Immigration Act of 1924, as amended, pertaining to unmarried children under 21 years of age of a citizen of the United States, shall be held to be applicable to Wong Thew Hor, minor child of Wong Chung Gong, a citizen of the United States.

LEFRANCOIS & CHAMBERLAND, INC.

The bill (S. 1417) for the relief of Lefrancois & Chamberland, Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lefrancois & Chamberland, Inc., of Rutland, Vt., the sum of \$47.98, in full satisfaction of its claim against the United States for compensation for damages to such corporation's automobile which resulted from being struck by a Government truck on March 24, 1948, in Rutland, Vt., while such truck was being operated by an employee of the Department of Agriculture: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on

account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

MARIE LOUISE DEWULF MAQUET

The bill (S. 1442) for the relief of Marie Louise Dewulf Maquet was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Marie Louise Dewulf Maquet, 202 Avenue Charles Woeste, Jette (Province of Brabant), Belgium, the sum of \$10,000, in full settlement of all claims against the United States for the death of her husband, Capt. Abel Maquet, of the Belgian Air Force, as a result of his having been struck by a United States Army truck on January 31, 1946, in Newmarket, England: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

REV. THOMAS K. SEWALL

The bill (S. 1443) for the relief of Rev. Thomas K. Sewall was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Rev. Thomas K. Sewall, of Detroit Lakes, Minn., is relieved from liability for repayment to the United States of the sum of \$379.76, representing the salary paid him as an employee of the Census Bureau for 31 days during the taking of the 1950 population census while he was receiving retired pay as a commissioned officer in the Armed Forces.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Rev. Thomas K. Sewall, the sum of \$89.40, in full satisfaction of his claim against the United States for (1) 20 hours of annual leave accrued while working as an employee of the Census Bureau during the taking of the 1950 population census, amounting to \$29.80, and (2) salary which he would have received as an employee of the Census Bureau from April 17 to April 21, 1950, had he not been receiving retired pay as a commissioned officer in the Armed Forces, amounting to \$59.60.

GERHARD H. A. ANTON BEBR

The Senate proceeded to consider the bill (S. 530) for the relief of Gerhard H. A. Anton Bebr which had been reported from the Committee on the Judiciary with an amendment on page 1, line 11, after the word "the", where it occurs the first time, to strike out "appropriate quota for the first year that such quota is available" and insert "number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)", so as to make the bill read:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Gerhard H. A. Anton Bebr shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JEAN MARIE NEWELL

The Senate proceeded to consider the bill (S. 580) for the relief of Jean Marie Newell which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Jean Marie Newell shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ARTHUR KOESTLER

The Senate proceeded to consider the bill (S. 674) for the relief of Arthur Koestler which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Arthur Koestler shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELLA MARIA NYMAN

The Senate proceeded to consider the bill (S. 1009) for the relief of Ella Maria Nyman which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Ella Maria Nyman shall be held and considered to have been lawfully admitted to the United States for permanent residence, as of the date of the enactment of this act, upon payment of the

required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALOMON HENRI LAIFER

The Senate proceeded to consider the bill (S. 1242) for the relief of Salomon Henri Laifer, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Salomon Henri Laifer shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GENERAL RULES OF PRACTICE AND PROCEDURE BEFORE FEDERAL AGENCIES

The bill (S. 17) to provide general rules of practice and procedure before Federal agencies, was announced as next in order.

Mr. SCHOEPPPEL. Mr. President, may we have a brief explanation of the bill?

Mr. McCARRAN. Mr. President, this bill would provide for an Administrative Rules Commission. The purpose of the Commission would be to formulate and transmit to the Attorney General for report to Congress general rules of practice and procedure for agencies. The Administrative Rules Commission will consist of Member of Congress, an assistant attorney general, a head of an independent agency, the chief judge of the judicial circuits, the dean of a law school, and a practicing lawyer.

The bill further provides that the rules of practice and procedure formulated shall be presented to the Congress within 30 days of the beginning of the session and they shall not become effective until adjournment sine die of that particular session. During the session, the Congress may disapprove the rules of practice and procedure presented. This is the same procedure that is found in the submission of the reorganization plans proposed by the executive on rules of judicial procedure proposed by the judiciary.

Rules of civil procedure for all of the Federal trial courts are provided for by the Rules Act of 1934, and in 1938 a similar project was proposed for the field of criminal law. Practice before the agencies is the only field that is left not governed by rules of practice and procedure, and the committee believes that the establishing of the proposed Com-

extend the term of office of the Displaced Persons Commission.

Under the Displaced Persons Act of 1948, as amended on June 16, 1950, 341,000 visas are authorized to be issued beginning July 1, 1948, and ending on June 30, 1951. It is estimated that on the terminal date of the act, June 30, 1951, 235,711 visas will have been issued, leaving a balance of 55,289. The terminal date of the period during which the 341,000 visas are authorized to be issued, is extended for 6 months in order to complete the processing of cases already in the pipeline. It is contemplated that virtually all of the visas which have been authorized will have been issued by the terminal date, December 31, 1951.

The terminal date of the period during which 5,000 nonquota visas are authorized to be issued to eligible displaced orphans is extended from June 30, 1951, to June 30, 1952. This terminal date will thus coincide with the terminal date for the issuance of visas under existing law to certain war orphans.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, after line 40, to strike out:

SEC. 3. (a) During the three and one-half fiscal years beginning July 1, 1948, and ending December 31, 1951, eligible displaced persons and eligible displaced orphans and persons defined in subdivisions (2), (3), and (4) of subsection (b) of this section seeking to enter the United States as immigrants may be issued immigration visas without regard to quota limitations for those years as provided by subsection (c) of this section: *Provided*, That not more than 341,000 such visas shall be issued under this act, as amended, including such visas heretofore issued under the Displaced Persons Act of 1948: *Provided further*, That no such immigration visa shall be issued to eligible displaced persons or eligible displaced orphans unless the Commission initiated the selection or processing of such person on or before July 31, 1951; and it shall be the duty of the Secretary of State to procure the cooperation of other nations, particularly the members of the International Refugee Organization, in the solution of the displaced-persons problem by their accepting for resettlement a relative number of displaced persons, and to expedite the closing of the camps and terminate the emergency.

And in lieu thereof, to insert:

SEC. 3 (a) I. During the three and one-half fiscal years beginning July 1, 1948, and ending December 31, 1951, eligible displaced persons and persons defined in subdivisions (2), (3) and (4) of subsection (b) of this section seeking to enter the United States as immigrants, and

II. During the four fiscal years beginning July 1, 1948, and ending June 30, 1952, eligible displaced orphans seeking to enter the United States as immigrants, may be issued immigration visas without regard to quota limitations for those years as provided by subsection (c) of this section: *Provided*, That not more than 341,000 such visas shall be issued under this act, as amended, including such visas heretofore issued under the Displaced Persons Act of 1948: *Provided further*, That no such immigration visa shall

be issued to eligible displaced persons unless the Commission initiated the selection or processing of such persons on or before July 31, 1951; and it shall be the duty of the Secretary of State to procure the cooperation of other nations, particularly the members of the International Refugee Organization, in the solution of the displaced-persons problem by their accepting for resettlement a relative number of displaced persons, and to expedite the closing of the camps and terminate the emergency.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement by the distinguished junior Senator from New York [Mr. LEHMAN] in support of the bill to amend the Displaced Persons Act of 1948, which was just passed.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN

I rise to express my full support for the pending legislation to extend the date for the admission into this country of displaced persons.

I do not wholly subscribe to that provision of the bill originally presented as an amendment in the House to restrict those coming in under the terms of this bill to persons who will have applied for admission by July 31. I can see where this might work individual injustices and I would have preferred to have seen this provision omitted.

Nevertheless I understand from information made available to me by members of the Displaced Persons Commission that this will not work a serious hardship, nor will it defeat the purpose of this legislation. There are at the present time almost 60,000 cases in the Displaced Persons Commission pipeline—cases for which assurances have been received and on which processing has been started.

It is expected that by June 30 the quota of persons authorized to be admitted under the basic displaced persons law will lack about 38,000 of being utilized. In other words, 38,000 displaced persons who would otherwise be eligible to enter the United States will not have an opportunity to enter because of the cut-off date in the present law.

The situation came about not through the fault of the Displaced Persons Commission, and certainly not through the fault of the displaced persons themselves. Conditions beyond their control, such as the essential diversion of shipping to the military effort in Korea and the build-up in Europe, the new restrictions on admission into the United States established under the terms of the Internal Security Act, and other factors slowed down sailings and processing to such an extent that the full number authorized was not used despite the fact that many of those displaced persons have been waiting for many, many months for the processing to be completed and for requisite ships in which to sail.

It was clearly the intent of Congress to admit the full number authorized. Legislative history makes this very clear. There are more than the unused number of displaced persons hoping and praying and waiting to enter the United States, to find home and haven from the terror and the privations which they have suffered for many years. The great heart of America will not allow this to happen.

I am sure we are going to enact the proposed legislation as reported out by the Senate Judiciary Committee. It has already been approved by the House.

I would like at this point to express my satisfaction and gratitude for the consideration given this matter by the Judiciary Committee and the leadership shown by the distinguished chairman of that committee in this matter. I think his support of this measure and sponsorship of its passage by the Senate deserves the thanks of all of us who are interested in this vital subject and who wish America to be regarded in the hearts and minds of men everywhere as the haven of the oppressed and the homeland of those who search for freedom.

AMENDMENT OF THE BANKHEAD-JONES FARM TENANT ACT

Mr. MAGNUSON. Mr. President, I ask unanimous consent to return to Calendar No. 364, Senate bill 684, a bill to amend the Bankhead-Jones Farm Tenant Act. I have discussed the bill briefly with the Senator from New Jersey [Mr. HENDRICKSON] and the Senator from Kansas [Mr. SCHOEPPFEL]. They desired an explanation of the bill. I have asked the chairman of the subcommittee, the distinguished Senator from New Mexico [Mr. ANDERSON], who understands the technicalities of the bill, to make the explanation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

There being no objection, the Senate proceeded to consider the bill (S. 684) to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with amendments, on page 1, after line 5, to strike out:

Amend section 4 by striking out the period at the end of said section and adding the following words: "and for the purpose of insuring mortgages there may be allotted in any fiscal year among the State and Territories, without regard to farm population or the prevalence of tenancy, such portions of the authorization provided in section 12 (b) not exceeding in the aggregate \$50,000,000 as are determined by the Secretary to be necessary to insure mortgages in the States and Territories under this title."

And in lieu thereof to insert:

Amend section 4 by striking out the words "and insuring mortgages" and "insure mortgages or" where they occur in said section and amend the last sentence of section 12 (b) to read as follows:

"With respect to any fiscal year, one-quarter of the amount available for insurance, commitments, and acceptance of mortgages under this title shall be distributed among the several States and Territories on the basis of bona fide applications and the availability of farms with respect to which loans may be insured and the balance shall be distributed on the basis provided in section 4, and preferences shall be given to mortgages executed by veterans qualified under section 1."

On page 2, after line 19, to strike out:

SEC. 2. Amend section 12 (b) by striking from the first sentence the figures "\$100,000,000" and substituting in lieu thereof the figures "\$200,000,000."

In line 23, to change the section number from "3" to "2"; on page 4, line 1, to change the section number from "4" to "3"; in line 7, after the word "enable", to strike out "the borrower to obtain a loan on a noninsured basis from the holder of the insured mortgage" and insert "the holder of the insured mortgage to refinance the loan on an uninsured basis under laws or regulations to which he may be subject"; and in line 12, to change the section number from "5" to "4", so as to make the bill read:

Be it enacted, etc., That the following sections of the Bankhead-Jones Farm Tenant Act, as amended (60 Stat. 1062), are hereby amended as follows:

Amend section 4 by striking out the words "and insuring mortgages" and "insure mortgages or" where they occur in said section and amend the last sentence of section 12 (b) to read as follows:

"With respect to any fiscal year, one-quarter of the amount available for insurance, commitments and acceptance of mortgages under this title shall be distributed among the several States and Territories on the basis of bona fide applications and the availability of farms with respect to which loans may be insured and the balance shall be distributed on the basis provided in section 4, and preferences shall be given to mortgages executed by veterans qualified under section 1."

SEC. 2. Amend section 21 to read:

"SEC. 21. (a) The Secretary may make loans to farmers and stockmen who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs, the cost of reorganizing the farming enterprise or changing farming practices to accomplish more diversified or more profitable farming operations, the refinancing of existing indebtedness, and for family subsistence.

"(b) No loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program. No initial loan to any one borrower under this section shall exceed \$7,000 and no further loan may be made under this section to a borrower so long as the total amount outstanding, including accrued interest, taxes, and other obligations properly chargeable to the account of the borrower, exceeds \$10,000.

"(c) The terms of loans under this section, including any renewal or extension of any such loan, shall not exceed seven years from the date the original loan was made.

"(d) No person who has failed to liquidate his indebtedness under this section for seven consecutive years shall be eligible for loans hereunder until he has paid such indebtedness in full, except that the indebtedness on loans made prior to November 1, 1946, which are being serviced and collected by the Farmers Home Administration, shall not be subject to the limitations of this section until November 1, 1953."

SEC. 3. Amend section 44 (c) by changing the period at the end of said section to a colon and adding the following proviso: "Provided, however, That in the case of mortgage loans heretofore or hereafter insured under this title, the Secretary may at his discretion delay his request for refinancing until the borrower has acquired a sufficient equity in the farm to enable the holder of the insured mortgage to refinance the loan on any uninsured basis under laws or regulations to which he may be subject."

SEC. 4. Amend section 48 by adding at the end of said section the following sentence: "The foregoing requirements shall not preclude establishing the initial annual payment at a date not exceeding two full crop years from the date of the loan where the Secretary determines that farm income sufficient to make the initial payment cannot be readily anticipated at an earlier date, but this provision shall not have the effect of extending the maximum term of any loan."

Mr. ANDERSON. Mr. President, in connection with this bill I wish to say that a subcommittee of the Committee on Agriculture and Forestry considered it, and all members of the subcommittee were satisfied with the revised version.

I will say to the Senator from Kansas that there was a provision in the original bill which would have permitted an additional \$100,000,000 to have been made available for Bankhead-Jones loans. On examination of the representatives of the Department of Agriculture and the Farm Credit Administration it developed that only \$30,000,000 had ever been loaned under those provisions. Therefore, so long as \$100,000,000 was already authorized, it seemed absolutely ridiculous to authorize \$200,000,000.

The difficulty is that loans must be made to the respective States in proportion to the amount of farm tenancy they have. The result is that a relatively large amount of money is made available to States where there is a high degree of farm tenancy, but in certain sections of the country—and in particular the question arose in the State of Oregon—where there is a very small degree of farm tenancy but a rather lively demand for this type of loan, the money was quickly used up. Therefore this measure would permit the Department to prescribe certain amounts of money, up to one-fourth of the capital, which must be allotted on the basis of farm tenancy, but would leave the Department free to allocate the remainder of the Bankhead-Jones loans to any part of the country where there is demand for such loans.

I will say to the Senator from New Jersey and to the Senator from Kansas, who asked for the explanation, that the senior Senator from South Dakota [Mr. MUNDT] was a member of the committee, and asked many questions on the subject, as did the senior Senator from Minnesota [Mr. THYE]. They were completely satisfied, finally, that the language inserted in the substitute bill will be satisfactory.

The bill does not increase the amount of lending authority, but it does provide that all the money need not be allocated across the country on the basis of the amount of farm tenancy the individual States have. A portion of it may be allotted on that basis, and the remainder of the money may be made available in any part of the country where it is needed.

If either of my distinguished colleagues desire additional explanation, I shall be glad to make it. Let me say in fairness to them that there are one or two minor points in the bill which I shall be glad to comment on if they wish. For example, there was a provision which related to the payment of a mortgage. The

requirement was that when it got down to a certain figure it had to be refinanced immediately. A provision has been inserted, which all of us decided was fair, when the loan has been paid down to the level which a bank can handle under its permission from the Comptroller of the Currency—for instance, a 55 or 60 percent loan—then it must move into private channels, but it need not move prior to that time.

I will say to the Senator from New Jersey and the Senator from Kansas that we held extensive hearings on the bill. We met twice on it. We finally decided that we could solve the problem by certain simple changes. The bill then came up for a third hearing, and it was unanimously reported by the committee.

I am happy to yield to the Senator from New Jersey.

Mr. HENDRICKSON. Mr. President, in the light of the very clear explanation made by the distinguished Senator from New Mexico, I am very happy to withdraw my objection.

Mr. ANDERSON. I thank the Senator.

Mr. MAGNUSON. Mr. President, will the Senator yield to me for one observation?

Mr. ANDERSON. I yield.

Mr. MAGNUSON. The testimony was to the effect that this provision would help the small local banks to finance loans in a better way than is now possible, when the notes must be sold at a certain time. The interest of the Senator from Washington arose because of the fact that there is not much farm tenancy in our State. There was not very much money available, as was the case in Oregon and South Dakota. However, with new irrigated lands coming in, additional financing may be required.

Mr. CASE. Mr. President, is not the bill in its amended form a little more realistic, so far as the maximum amounts of the loans are concerned?

Mr. MAGNUSON. Yes.

Mr. CASE. The limitation created some years ago is unrealistic in view of current prices.

Mr. ANDERSON. Mr. President, I deeply appreciate having the Senator from South Dakota call that to my attention. I did not intend to avoid that question. However at the time the regulation was originally established, it provided maximums from \$3,500 to \$7,000 for certain types of loans. The value of the dollar has so changed that the \$3,500 limitation has become some \$2,200, and the committee made it \$7,000. That change was only to bring the legislation in line with realistic practices.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ELLENDER subsequently said: Mr. President, I do not believe I can add to what has already been said in explanation of Senate bill 684, Calendar 364.

I ask unanimous consent that following the consideration of the bill, there be inserted a statement showing the quota of distribution, percentagewise, of funds provided for under the present law, as well as an explanation of how the bill will operate, and an explanation of the changes made by the bill.

There being no objection, the statement, table, and explanation were ordered to be printed in the RECORD, as follows:

S. 684, to amend the Bankhead-Jones Farm Tenant Act, was ordered reported to the Senate with amendments by the Committee at its meeting this date. The bill as ordered reported would make the following changes in the law:

1. Authorize the Secretary of Agriculture to insure mortgage loans totalling up to \$25,000,000 per year on the basis of bona fide applications and the availability of farms with respect to which loans may be insured. Distribution of insured mortgage loans totalling \$100,000,000 per year is now made according to farm population and prevalence of tenancy, thus the bill provides that one-fourth of this amount would be distributed free of the present formula.

2. Authorize the Secretary to postpone refinancing of insured mortgage loans until such time as the borrower had acquired sufficient equity in the farm to meet the legal requirements to which the holder of the insured mortgage may be subject in making uninsured loans.

3. Increase the limit of initial production and subsistence loans from \$3,500 to \$7,000 and the total outstanding indebtedness of any borrower on all such loans from \$5,000 to \$10,000.

4. Extend the term of repayment of operating loans and the maximum period during which a borrower may be indebted in order to be eligible for further financial assistance from 5 to 7 years.

5. Authorize the Secretary to postpone the initial annual repayment of both real estate and production assistance loans to a date not exceeding two full crop years after the date of the loan in those instances where he determines that farm income will not be sufficient to make the initial payment at an earlier date.

Attached is a table giving the distribution of the \$100,000,000 of insured farm mortgages among the States and Territories according to present law. Column 6 shows the actual distribution, and under the provisions of S. 684 as reported by our committee the allocations for each State would be reduced 25 percent in order that \$25,000,000 of the \$100,000,000 would be available to the Secretary to distribute on the basis of bona fide applications.

Since October 1947, when the first real estate mortgage loan was insured, total loans insured have amounted to \$44,778,582. No losses have been incurred in this program to date. In the current fiscal year loans amounting to \$17,246,325 have been insured through May 31. Mr. Lassiter testified that about \$30,000,000 was the greatest amount insured in any one year but I now understand the \$17,246,325 insured so far this fiscal year is their highest amount.

Senator ELLENDER suggested we obtain information with respect to production and subsistence loans and direct farm ownership loans, in preparation for Senate action on the bill. From the inception of the program on November 1, 1946, through December 31, 1950, production and subsistence loans were made in the total amount of \$329,452,234. Principal and interest repayments on these loans during this period amount of \$198,371,599. Repayments on principal equalled 89 percent of the amount that had matured. The Department expects that the ratio of re-

payments to maturity on these loans will increase and that ultimate losses will be relatively small. Principal write-offs amounted to \$315,014 as of December 31, 1950.

The amount available for production and subsistence loans is subject to loan authorization by the Congress each year. For the 1952 fiscal year the House has approved \$100,000,000 for this program, which is a reduction of \$10,000,000 from the budget estimate.

As you know the Farmers Home Administration makes direct farm ownership loans under Title I of the Bankhead-Jones Farm Tenant Act. Through June 30, 1950, farm ownership loans had been made to 62,031 borrowers in the amount of \$362,510,900 for the purchase, enlargement, or development of economic family-type farms. Though these loans are amortized over a 40-year period, 22,259 of the borrowers who had received

loans under this program, since its inception in 1938, had repaid their accounts in full at the end of March 1950. Total net losses through liquidation on farm ownership loans as of June 30, 1950, were \$522,319, or about one-seventh of 1 percent of the total advances as of that date. The 39,772 farm ownership borrowers indebted on March 31, 1950, had paid 133 percent of scheduled installments.

The amount available for making direct farm ownership loans is also subject to loan authorizations by Congress each year. The House has approved \$38,000,000 for making both farm-ownership and farm-housing loans in the 1952 fiscal year, which is a reduction of \$2,500,000 from that available in the 1951 fiscal year. The exact amount of the total authorization going into each type of loan is subject to the discretion of the executive departments.

Department of Agriculture, Farmers Home Administration—Farm tenancy: Method of Determining the percentage distribution for allocating insured mortgages, by States

State and Territory	Farm population 1945 ¹	Percentage of tenancy 1945 ²	Allocation factor: Farm population multiplied by percentage of tenancy ³	Percentage distribution of insured mortgages ⁴	Adjusted tenancy dollar distribution ⁵
(1)	(2)	(3)	(4)	(5)	(6)
United States total.....	24,801,342	-----	7,887,624	100	100,000,000
Alabama.....	1,000,657	49.107	491,393	6.2299242	6,229,924
Arizona.....	61,923	12.829	8,330	.1056085	105,609
Arkansas.....	782,520	44.579	348,840	4.4226246	4,422,625
California.....	538,672	12.325	66,391	.8417110	841,711
Colorado.....	192,320	27.920	53,696	.6807627	680,763
Connecticut.....	90,723	4.627	4,198	.0532226	53,223
Delaware.....	37,665	20.815	7,840	.0993962	99,396
Florida.....	244,336	16.817	41,090	.5269427	520,943
Georgia.....	1,015,444	53.802	546,329	6.9264077	6,926,408
Idaho.....	162,194	20.155	32,690	.4144467	414,447
Illinois.....	759,429	39.055	296,595	3.7602578	3,760,258
Indiana.....	656,167	22.675	148,786	1.8863222	1,886,322
Iowa.....	792,159	42.236	334,576	4.2417843	4,241,784
Kansas.....	480,469	36.561	175,664	2.2270839	2,227,084
Kentucky.....	973,328	26.769	260,550	3.3032761	3,303,276
Louisiana.....	594,127	49.144	291,978	3.7617231	3,761,723
Maine.....	158,564	3.169	5,025	.0637074	63,707
Maryland.....	194,169	22.999	44,657	.5661654	566,165
Massachusetts.....	141,100	2.613	3,687	.0467441	46,744
Michigan.....	663,610	11.717	77,755	.9857843	985,785
Minnesota.....	730,748	26.718	195,241	2.4752828	2,475,283
Mississippi.....	1,050,444	59.294	622,850	7.8965478	7,896,548
Missouri.....	855,020	26.816	229,282	2.9068576	2,906,858
Montana.....	134,551	16.632	22,379	.2837230	283,723
Nebraska.....	403,516	47.513	191,723	2.4306813	2,430,681
Nevada.....	14,219	9.245	1,315	.0166717	16,672
New Hampshire.....	65,149	3.556	2,317	.0293751	29,375
New Jersey.....	110,605	10.185	11,265	.1428187	142,819
New Mexico.....	134,251	13.726	18,427	.2336192	233,619
New York.....	589,724	8.253	48,670	.6170426	617,043
North Carolina.....	1,311,223	42.649	559,223	7.0898790	7,089,879
North Dakota.....	269,779	27.796	74,988	.9507046	950,705
Ohio.....	842,385	21.766	183,354	2.3245784	2,324,578
Oklahoma.....	639,948	39.912	255,416	3.2361568	3,236,157
Oregon.....	221,399	10.809	23,931	.3033994	303,399
Pennsylvania.....	730,877	12.892	94,225	1.1945930	1,194,593
Rhode Island.....	15,624	8.659	1,353	.0171535	17,153
South Carolina.....	662,663	54.167	369,778	4.6880784	4,688,078
South Dakota.....	253,899	38.085	96,697	1.2259332	1,225,933
Tennessee.....	981,501	32.996	323,856	4.1058752	4,105,875
Texas.....	1,487,829	37.611	559,587	7.0944939	7,094,494
Utah.....	99,989	8.381	8,380	.1062424	106,242
Vermont.....	95,275	4.915	4,683	.0593715	59,372
Virginia.....	801,803	20.327	162,982	2.0663003	2,066,300
Washington.....	289,467	11.227	32,498	.4120125	412,013
West Virginia.....	430,596	14.741	63,474	.8047250	804,729
Wisconsin.....	719,913	20.447	147,201	1.8662274	1,866,227
Wyoming.....	53,424	19.861	10,611	.1345272	134,527
Alaska.....	2,393	20.064	480	.0060855	6,085
Hawaii.....	149,435	70.667	105,601	1.3388189	1,338,819
Puerto Rico.....	1,084,168	20.646	223,838	2.8378981	2,837,838
Virgin Islands.....	6,944	27.778	1,929	.0244560	24,456

¹ 1945 Census of Population.

² Number of tenant-operated farms divided by number of all farms for each State: Census of Agriculture, 1945.

³ Total factor is sum of State factors.

⁴ State factor divided by column "4" total.

⁵ Adjusted farm population and prevalence of tenancy distribution in accordance with the Farmers Home Administration Act of 1946.

⁶ Estimated by the Bureau of the Census.

LUCY KONG LEE

The Senate proceeded to consider the bill (H. R. 1800) for the relief of Lucy Kong Lee which had been reported from the Committee on the Judiciary with an amendment on page 1, line 5, after the

word "to", to strike out "Lucy Kong Lee, widow", and insert "the estate."

Mr. McCARRAN. Mr. President, this bill provides for the payment of approximately \$6,700 to the estate of a former Honolulu policeman who was seriously

injured when struck by an Army truck being driven by an Army driver on official business. The Department of the Army has recommended an award in the amount of this bill.

Since the introduction of the bill the claimant died, not as a result of the injuries sustained in this accident, and therefore the committee has amended the bill to provide that the payment shall be made to his estate.

It should be made clear that the committee considers this to be an exceptional case, and is approving the action here recommended on the basis of the particular factors and circumstances in this case; and that this action is not to be regarded as a precedent or a rule to be followed in other cases. If another case arose having precisely the same facts as this, the committee undoubtedly would make a similar recommendation; but the committee does not wish to be committed with respect to the course of action it will follow or recommend in any subsequent case.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act for the relief of the estate of Chin Hien Lee."

TRANSPORTATION ON CANADIAN VESSELS BETWEEN POINTS IN ALASKA AND CONTINENTAL UNITED STATES

The bill (S. 1559) a bill to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation, was announced as next in order.

Mr. SCHOEPPPEL. Mr. President, reserving the right to object—and I shall not object—I should like to have a brief explanation of the measure.

Mr. MAGNUSON. Mr. President, the bill would extend the right of certain small Canadian vessels to serve two isolated points in Alaska. I would be the first one to object if service in American vessels was available to the two points involved.

Mr. SCHOEPPPEL. The bill goes solely to filling a gap because of lack of American shipping?

Mr. MAGNUSON. Yes. Service to Hyder, Alaska, is very important, because of mining production of strategic material near the port.

An identical bill, Calendar 421, House bill 157, was passed by the House. I ask unanimous consent that the Senate proceed to the consideration of the House bill.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The Secretary will state the House bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 157) to provide transportation on Canadian vessels between Skagway, Alaska,

and other points in Alaska between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska, or the continental United States, either directly or via a foreign port, or for any part of the transportation.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1559 is indefinitely postponed.

AUTHORIZATION TO REPORT DEFENSE PRODUCTION ACT OF 1951 DURING RECESS

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAYBANK. Mr. President, in reporting the defense production bill, will it be necessary to assign a new number to it, or will it automatically get a Senate number when I report it?

The PRESIDING OFFICER. The Parliamentarian suggests that all after the enacting clause be stricken, the new bill substituted, as amended, and that the Senator submit a clean bill to the Senate.

Mr. MAYBANK. I ask unanimous consent to report a clean bill during the recess, if we recess early this afternoon, because, as the Presiding Officer knows, the committee has completed consideration of the bill, but there must be some minor changes made in connection with Government funds and rent control. We have stricken out all after the enacting clause and are presenting a clean bill. I ask unanimous consent that, should the Senate recess this afternoon, we be permitted to report the bill as of today.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

COMPENSATION OF EMPLOYEES OF THE HOUSE AND SENATE PRESS, PERIODICAL AND RADIO GALLERIES

The Senate proceeded to consider the joint resolution (S. J. Res. 71) relating to the compensation of employees of the House and Senate press, periodical, and radio galleries, which had been reported from the Committee on Post Office and Civil Service, with amendments on page 2, at the beginning of line 1, to strike out "assistant" and insert "assistant superintendents"; and in line 4, after the words "of the", to strike out "assistant" and insert "assistant superintendents", so as to make the joint resolution read:

Resolved, etc., That (a) the annual rates of basic compensation of the superintendents of the House and Senate press galleries shall be \$4,800 each; the annual rate of basic compensation of the superintendents of the House periodical press gallery shall be \$3,500; and the annual rate of basic compensation of the superintendent of the Senate periodical press gallery shall be \$4,100.

(b) (1) The annual rates of basic compensation of the assistant superintendents

in the House press gallery shall be as follows: One at \$4,100, one at \$3,200, one at \$2,800, and one at \$2,000.

(2) The annual rates of basic compensation of the assistant superintendents in the Senate press gallery shall be as follows: One at \$4,100, two at \$2,800, and one at \$2,200.

SEC. 2. (a) The annual rates of basic compensation of the superintendent of the House and Senate radio press galleries shall be \$4,700 each.

(b) (1) The annual rates of basic compensation of the assistants in the House radio press gallery shall be as follows: One at \$3,000 and one at \$2,850.

(2) The annual rates of basic compensation of the assistants in the Senate radio press gallery shall be as follows: One at \$3,000, one at \$2,850, and one at \$2,500.

SEC. 3. Nothing in this joint resolution shall be construed to authorize the appointment of additional personnel in any of the press, periodical, or radio galleries.

SEC. 4. The provisions of this joint resolution shall take effect on the first day of the first month following the date of its enactment.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF ACT INCORPORATING AMERICAN UNIVERSITY

The bill (S. 1645) to amend the act incorporating the American University was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to incorporate the American University," approved February 24, 1893 (27 Stat. 476), as amended by an act of Congress, approved March 2, 1895 (28 Stat. 814), is amended by striking out "two-thirds of whom shall at all times be members of the Methodist Episcopal Church," and by inserting in lieu thereof the following: "three-fifths of whom shall at all times be members of the Methodist Church."

PAYMENT AND COLLECTION OF WAGES IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 1152) to provide for the payment and collection of wages in the District of Columbia which had been reported from the Committee on the District of Columbia with amendments on page 2, line 23, after the word "organization", to insert a colon and the following additional proviso: "Provided further, That where, by contract or custom, an employer has paid wages at least once each calendar month, he may lawfully continue to do so."

On page 3, after line 3, to strike out:

POSTING AND NOTIFICATION

SEC. 3. (a) Every employer employing more than eight employees shall notify each of his employees in writing at the time of hiring of the rate of pay, of the day, hour, and place of payment, and of any changes in arrangements prior to the time of such change; or such notice may be given by posting a notice on his premises in a place accessible to his employees.

In line 14, to change the section number from "4" to "3"; in line 23, after the word "due", to strike out "within three working days thereafter, unless such employee shall have given previous notice of at least three working days of intention to quit, in which event the

82D CONGRESS
1ST SESSION

S. 684

IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 1951

Referred to the Committee on Agriculture

AN ACT

To amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sections of the Bankhead-Jones Farm
4 Tenant Act, as amended (60 Stat. 1062), are hereby
5 amended as follows:

6 Amend section 4 by striking out the words "and insuring
7 mortgages" and "insure mortgages or" where they occur in

1 said section and amend the last sentence of section 12 (b)
2 to read as follows:

3 “With respect to any fiscal year, one-quarter of the
4 amount available for insurance, commitments and ac-
5 ceptance of mortgages under this title shall be distributed
6 among the several States and Territories on the basis of
7 bona fide applications and the availability of farms with
8 respect to which loans may be insured and the balance
9 shall be distributed on the basis provided in section 4,
10 and preferences shall be given to mortgages executed by
11 veterans qualified under section 1.”

12 SEC. 2. Amend section 21 to read:

13 “SEC. 21. (a) The Secretary may make loans to farmers
14 and stockmen who are citizens of the United States for the
15 purchase of livestock, seed, feed, fertilizer, farm equipment,
16 supplies, and other farm needs, the cost of reorganizing the
17 farming enterprise or changing farming practices to accom-
18 plish more diversified or more profitable farming operations,
19 the refinancing of existing indebtedness, and for family sub-
20 sistence.

21 “(b) No loan shall be made under this section for the
22 purchase or leasing of land or for the carrying on of any
23 land-purchase or land-leasing program. No initial loan to
24 any one borrower under this section shall exceed \$7,000 and
25 no further loan may be made under this section to a borrower

1 so long as the total amount outstanding, including accrued
2 interest, taxes, and other obligations properly chargeable to
3 the account of the borrower, exceeds \$10,000.

4 “(c) The terms of loans under this section, including
5 any renewal or extension of any such loan, shall not exceed
6 seven years from the date the original loan was made.

7 “(d) No person who has failed to liquidate his indebt-
8 edness under this section for seven consecutive years shall
9 be eligible for loans hereunder until he has paid such in-
10 debtedness in full, except that the indebtedness on loans
11 made prior to November 1, 1946, which are being serviced
12 and collected by the Farmers Home Administration, shall
13 not be subject to the limitations of this section until Novem-
14 ber 1, 1953.”

15 SEC. 3. Amend section 44 (c) by changing the period
16 at the end of said section to a colon and adding the following
17 proviso: “*Provided, however,* That in the case of mortgage
18 loans heretofore or hereafter insured under this title, the
19 Secretary may at his discretion delay his request for refinanc-
20 ing until the borrower has acquired a sufficient equity in the
21 farm to enable the holder of the insured mortgage to refi-
22 nance the loan on an uninsured basis under laws or regula-
23 tions to which he may be subject.”

24 SEC. 4. Amend section 48 by adding at the end of
25 said section the following sentence: “The foregoing require-

1 ments shall not preclude establishing the initial annual
2 payment at a date not exceeding two full crop years from
3 the date of the loan where the Secretary determines that
4 farm income sufficient to make the initial payment cannot
5 be readily anticipated at an earlier date, but this provision
6 shall not have the effect of extending the maximum term
7 of any loan."

Passed the Senate June 21, 1951.

Attest:

LESLIE L. BIFFLE,

Secretary.

AN ACT

To amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes.

JUNE 22, 1951

Referred to the Committee on Agriculture

Tariff Act of 1930 to provide for the duty-free importation of twine for baling hay, straw, and other fodder and bedding materials (H. Rept. 786);

H. R. 3436, authorizing vessels of Canadian registry to transport grain between U. S. ports on the Great Lakes during 1951 (H. Rept. 787);

H. R. 3209, amending the TVA Act to provide an increase in the per diem and subsistence allowance of commissioners handling condemnation proceedings (H. Rept. 788); and

Conference report on H. R. 3282, Treasury and Post Office Departments appropriation bill for 1952 (H. Rept. 789).

Pages 9618-9619

Interstate and Foreign Commerce: Adopted, by voice vote, H. Res. 323, to amend H. Res. 51, relating to the authority of the Committee on Interstate and Foreign Commerce to investigate matters within its jurisdiction, to allow investigations outside of the United States.

Pages 9569-9575

Military Research: Passed and sent to the Senate H. R. 1180, to facilitate the performance of research and development work by and on behalf of the Departments of the Army, the Navy, and the Air Force. This bill provides the Armed Forces with powers that are considered necessary to facilitate their research and development programs.

H. Res. 358, the rule providing for the consideration of H. R. 1180, was previously adopted.

Pages 9587-9590

Experimental Submarines: Passed, by voice vote, H. R. 1227, to amend the act authorizing the construction of experimental submarines by increasing the cost limitation. Adopted a committee amendment that raised the cost limitation to \$50 million.

H. Res. 359, the rule making in order the consideration of H. R. 1227, was adopted earlier.

Pages 9576-9587

Soviet Exports Ban: Adopted a perfecting committee amendment and passed H. R. 4550, to provide for the control by the United States and cooperating foreign nations of exports to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination.

Rejected an amendment that sought to delete language authorizing the President to exempt countries where the cessation of aid would be detrimental to the security of the United States.

H. Res. 363, the rule providing for the consideration of H. R. 4550, was previously adopted.

Pages 9590-9602

Oatis Case: Considered H. Con. Res. 140, expressing indignation at the arrest and conviction of William N. Oatis by the Czechoslovakian Government, but deferred final action on the measure until Thursday.

Rejected an amendment designed to bypass the United Nations.

When the House adjourned there was pending an amendment, offered by Mr. Armstrong, stating it to be the sense of Congress that all commercial relations with Czechoslovakia be stopped and if Oatis is not released within 90 days the U. S. shall evacuate American nationals and take steps toward severing diplomatic relations.

Pages 9603-9614

Federal Reserve: Adopted, and thus cleared for the President, S. J. Res. 78, making the restrictions of the Federal Reserve Act on holding office in a member bank inapplicable to M. S. Szymczak when he ceases to be a member of the Board of Governors of the Federal Reserve System.

Page 9614

Coinage: Passed, without amendment, and sent to the Senate H. R. 3176, authorizing the coinage of 50-cent pieces to commemorate the lives and perpetuate the ideals and teachings of Booker T. Washington and George Washington Carver.

Pages 9614-9615

Order of Business: Calendar Wednesday business, in order on August 8, was dispensed with by unanimous-consent request.

Page 9615

Program for Monday: Adjourned at 6:15 p. m. until Monday, August 6, at 12 o'clock noon. For program, see Congressional Program Ahead in this DIGEST.

Committee Meetings

SUGAR—MOLLUSKS—FARM LOANS

Committee on Agriculture: Ordered the following bills reported favorably to the House:

H. R. 4521, amending the Sugar Act of 1948 by increasing sugar-production quotas of Puerto Rico and the Virgin Islands, and extending powers of the Secretary of Agriculture under the act until December 31, 1956. As reported, the bill was amended to increase from 250,000 to 300,000 gallons the liquid-sugar quota for the British West Indies;

H. R. 4443, to prevent the entry of certain mollusks into the United States; and

S. 684, to amend the Bankhead-Jones Farm Tenant Act relative to distribution of insured mortgage loans and increase of limitations on production and subsistence loans.

RESERVE COMPONENTS

Committee on Armed Services: Brig. Gen. Arthur Evans, executive director of the Reserve Officers' Association, testified at morning and afternoon sessions of the Brooks Special Subcommittee on Civilian Components, which is conducting hearings on H. R. 4860, the Armed Forces Reserve Act of 1951. Following General Evans' testimony the committee heard Maj. Gen. Milton A. Reckord and Maj. Gen. E. A. Walsh, both of the National Guard Association. Adjourned until tomorrow morning.

PROCUREMENT

Committee on Armed Services: Hébert Subcommittee on Procurement held executive meeting on committee business. Made no announcement and adjourned subject to call of the Chair.

DEFENSE HOUSING

Committee on Banking and Currency: Ordered reported to the House, with amendments, S. 349, to assist the provision of housing and community facilities and services required in connection with the national defense. The companion House bill (H. R. 2988) was reported on March 6, 1951. On March 14 the rule for its consideration was rejected by the House, which in effect killed the bill.

S. 349 was substantially modified in the Senate to meet some of the objections to certain provisions of the House bill. The total authorization for FHA insurance in the Senate version is \$1.5 billion and its use is limited to critical defense areas only. This provision was modified by the House committee to provide \$1.5 billion for FHA insurance but does not restrict its use to critical defense areas. Under the Senate bill the amount authorized to be appropriated for housing is limited to \$50 million, and the amount authorized to be appropriated for community facilities is \$60 million. The House provisions increase these amounts to \$75 million and \$100 million, respectively.

Among the noncontroversial items to be agreed upon were continuation of title VIII (military housing); extension of direct loans to veterans; maximum 6-percent down payment on veterans' home loans up to \$12,000; and extension of Lanham Act housing.

FEDERAL OVERSEAS ACTIVITIES

Committee on Expenditures in the Executive Departments: Lanham Subcommittee on Federal Relations With International Organizations held public hearing on H. R. 3406, creating the Commission on Overseas Administration to make a study of the administration of overseas activities of the Government and to make recommendations to Congress. Representative Church, author of the measure, and James K. Pollock of the Political Science Department, University of Michigan, and former member of the Hoover Commission, testified in support of the proposed bill. They also questioned the adequacy of the Brookings Institution study concerning overseas administration. Departmental witnesses who were heard were William F. Finan, Assistant Director for Administrative Management, Bureau of the Budget, and Col. Gordon Dawson, who presented the views of the Department of the Army. Executive consideration of the legislation is expected to be held at a future date to be set by the chairman.

HOME LOAN BANK BOARD

Committee on Expenditures in the Executive Departments: Holifield special subcommittee held further

hearings in connection with certain cases in litigation with Federal home loan banks in southern California. The first witness today was Michael Zarrilli, examiner for the Home Loan Bank Board, who testified in the morning session and resumed in the afternoon. He was followed by H. Graham Morison, Assistant Attorney General, Antitrust Division, Department of Justice; John M. Wyman, Chief Supervisor, Home Loan Bank Board; and A. E. Ammann, Assistant Supervisor of the Home Loan Bank System. Recessed until tomorrow morning.

MUTUAL SECURITY

Committee on Foreign Affairs: Met in executive session to consider H. R. 5020, the Mutual Security Act of 1951. Will continue on same bill tomorrow morning.

NATIONAL CEMETERIES

Committee on Interior and Insular Affairs: Bentsen Subcommittee on Public Lands resumed hearings on H. R. 5, to create a National Cemetery Commission for the consolidation of national cemetery activities within one civilian commission. Dr. W. L. Halberstadt, Charlotte, N. C., made a statement in connection with the proposed legislation as a representative of the American Cemeteries Association and the National Cemeteries Association. Departmental witnesses, speaking in opposition to the bill, were Conrad L. Wirth, Associate Director of the National Park Service; Thomas Hickey, Deputy Comptroller, Department of the Navy; Col. Harry L. Hart, executive and disbursing officer, Arlington Memorial Amphitheater Commission; Col. James B. Clearwater, Chief of the Memorial Division, Office of the Quartermaster General; and Lt. Col. J. C. Wicker, Administrative Branch, Office of the Quartermaster General. Recessed on this measure until tomorrow morning.

The subcommittee also rescinded its previous action whereby H. R. 2055, providing for a national cemetery in the vicinity of Los Angeles, Calif., was approved for reporting to the full committee. It will be reconsidered by the group at further hearings to be scheduled at a later date.

BAIL REFUNDS

Committee on the Judiciary: Lane Subcommittee No. 4 approved for reporting to the full committee H. R. 4945, authorizing the use of appropriations for refunding moneys erroneously received and covered for the refund of forfeited bail. Prior to this action today, a public hearing was held with testimony being received from the following officials of the Administrative Office of the U. S. Courts: Henry P. Chandler, Director; Elmore Whitehurst, Assistant Director; and Vivian A. Clements, Chief Auditor. Two officials of the General Accounting Office, who also testified, were Charles E. Johnson, legislative attorney, Office of the Comptroller General, and Willis Schuler, an attorney.

AMENDMENTS TO FARM TENANT ACT

AUGUST 7, 1951.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitted the following

R E P O R T

[To accompany S. 684]

The Committee on Agriculture, to whom was referred the bill (S. 684) to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

STATEMENT

At the time this bill (S. 684) was referred to the committee, it had under consideration H. R. 2642 and H. R. 4077. These bills were identical with H. R. 7268, Eighty-first Congress, second session, upon which this committee reported favorably in House Report 2281 on June 12, 1950. The House unanimously passed the bill in the last Congress but no action was taken in the Senate. At the conclusion of the recent hearings on H. R. 2642 and H. R. 4077, the authors of these bills requested the committee to report favorably on S. 684 in lieu of action on the two House bills. The substance of the Senate bill is the same as the House bills and the bill enacted by the House last year. There are, however, two principal differences.

The Senate bill eliminates the proposed authorization of an additional \$100,000,000 of insured mortgages each year and adds a provision which will accomplish more equitable distribution of mortgage loans insured under title I of the Bankhead-Jones Farm Tenant Act, by providing that one-fourth of the amount available for insurance, commitments, and acceptances of mortgages under title I are to be

distributed among the several States and Territories on the basis of bona fide applications and the availability of farms with respect to which such loans may be insured. Under existing law, the primary distribution is made on the basis of farm population and prevalence of tenancy. Under the Senate bill the remaining three-fourths of the amount available for insured mortgages will still be distributed in this manner.

In view of the present economic situation, additional authorization for insuring mortgages is probably not necessary at this time. One of the reasons for seeking to increase the authorization will, however, be accomplished by the provision added by the Senate bill with respect to more equitable distribution of insured mortgage loans. It will permit the insurance of more mortgages in some States which are now reaching their ceilings under present allocations.

As more fully explained in House Report 2281, Eighty-first Congress, second session, the bill also permits the Secretary to postpone the time when the borrower must refinance his mortgage loan until the holder thereof can, pursuant to regulations and laws under which he operates, convert the loan into a conventional type loan.

The bill clarifies the authority to make title II loans for the purpose of reorganizing the farming enterprise, raises the initial loan limit for such loans from \$3,500 to \$7,000, and extends the total debt limitation for such loans from \$5,000 to \$10,000. The maximum loan term will be extended from 5 to 7 years.

The bill provides for the discretionary scheduling of the initial annual repayment for title I and title II loans at a date not exceeding two full crop years after the date of the loan, where it is determined that farm income sufficient to meet normal payments cannot be anticipated at an earlier date.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule VIII of the rules of the House of Representatives, changes in existing law made by the bill, as passed by the Senate, are shown as follows (existing law proposed to be amended is enclosed by black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

BANKHEAD-JONES FARM TENANT ACT

TITLE I—TENANT PURCHASE LOANS AND MORTGAGE INSURANCE

* * * * *

SEC. 4. In making loans [and insuring mortgages] under this title, the amount which is devoted to such purposes during any fiscal year shall be distributed equitably among the several States and Territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary: *Provided*, That there may be distributed to each State such amounts as are necessary to [insure mortgages or] finance loans pursuant to all bona fide applications from veterans qualified under section 1 hereof: *Provided further*, That there may be disbursed in any fiscal year to each State or Territory such amount not in excess of \$100,000 as is determined by the Secretary to be necessary to finance loans in such State or Territory under this title.

* * * * *

SEC. 12. * * *

(b) The aggregate amount of principal obligations on all mortgages insured under this title, on all mortgages with respect to which commitments to insure have been made, and on all mortgages accepted for the account of the fund and

not disposed of under section 14 shall not exceed \$100,000,000 in any one fiscal year. [With respect to any fiscal year, the amount available for insurance, commitment, and acceptance of mortgages under this title shall be distributed among the several States and Territories on the basis provided in section 4 and preferences shall be given to mortgages executed by veterans qualified under section 1.] *With respect to any fiscal year, one-quarter of the amount available for insurance, commitments, and acceptance of mortgages under this title shall be distributed among the several States and Territories on the basis of bona fide applications and the availability of farms with respect to which loans may be insured and the balance shall be distributed on the basis provided in Section 4, and preferences shall be given to mortgages executed by veterans qualified under section 1.*

* * * * *

TITLE II—PRODUCTION AND SUBSISTENCE LOANS

BORROWERS AND TERMS

SEC. 21. [Out of the funds made available under section 23, the Secretary may make loans to farmers and stockmen who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment and supplies, other farm needs, the refinancing of indebtedness and family subsistence: *Provided*, That no loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program: *Provided further*, That, under this section, (1) the initial loan to any one borrower shall not exceed \$3,500 and no further loan may be made by the Secretary under this title to a borrower so long as the total amount outstanding to that borrower, including interest and taxes or other liens and obligations which have accrued and are properly chargeable to the account of the borrower, exceeds \$5,000; (2) the term of any such loan, including renewals and extensions, shall not exceed five years from the date the original loan was made; and (3) no person who has failed to liquidate his indebtedness under this section for five consecutive years shall be eligible for further loans hereunder until he has paid such indebtedness in full, except that indebtedness to the Farm Security Administration or the Emergency Crop and Feed Loan Offices heretofore created shall not be included until five years from the effective date of the Farmers' Home Administration Act of 1946, in determining the amounts of loans, terms of loans, and five-year period for eligibility set forth in this section.] (a) *The Secretary may make loans to farmers and stockmen who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs, the cost of reorganizing the farming enterprise or changing farming practices to accomplish more diversified or more profitable farming operations, the refinancing of existing indebtedness, and for family subsistence.*

(b) *No loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program. No initial loan to any one borrower under this section shall exceed \$7,000 and no further loan may be made under this section to a borrower so long as the total amount outstanding, including accrued interest, taxes, and other obligations properly chargeable to the account of the borrower, exceeds \$10,000.*

(c) *The terms of loans under this section, including any renewal or extension of any such loan, shall not exceed seven years from the date the original loan was made.*

(d) *No person who has failed to liquidate his indebtedness under this section for seven consecutive years shall be eligible for loans hereunder until he has paid such indebtedness in full, except that the indebtedness on loans made prior to November 1, 1946, which are being serviced and collected by the Farmers Home Administration, shall not be subject to the limitations of this section until November 1, 1953.*

* * * * *

TITLE IV—GENERAL PROVISIONS

SEC. 44. The Secretary, under this Act—

* * * * *

(c) Shall, in the case of every loan, require in the loan and security instruments that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, Federal land bank, or other responsible cooperative or private credit source at rates (but not exceeding the rate of 5 per centum per annum) and terms for loans for similar periods of time and purposes prevailing in the area in which the loan is to be made, the borrower shall,

upon request of the Secretary, apply for the accept such loan in sufficient amount to repay the Secretary and to pay for any stock necessary to be purchased in the cooperative lending agency in connection with the loan: *Provided, however, That in the case of mortgage loans heretofore or hereafter insured under this title, the Secretary may at his discretion delay his request for refinancing until the borrower has acquired a sufficient equity in the farm to enable the holder of the insured mortgage to refinance the loan on an uninsured basis under laws or regulations to which he may be subject.*

* * * * *

SEC. 48. The Secretary shall require annual payments in installments sufficient to pay any obligations or indebtedness to him under this Act within the term of such obligation or indebtedness. The Secretary shall provide a method whereby a borrower may pay any obligation or indebtedness by a system of variable payments under which a surplus above the required installment for any year may be paid in periods of above-normal income and employed to reduce payments below the required annual payment in subsequent periods of subnormal income. Any advance payments to the Secretary shall not affect the obligation to pay the required annual installment during periods of normal or above-normal income. *The foregoing requirements shall not preclude establishing the initial annual payment at a date not exceeding two full crop years from the date of the loan where the Secretary determines that farm income sufficient to make the initial payment cannot be readily anticipated at an earlier date, but this provision shall not have the effect of extending the maximum term of any loan.*



Union Calendar No. 259

82D CONGRESS
1ST SESSION

S. 684

[Report No. 803]

IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 1951

Referred to the Committee on Agriculture

AUGUST 7, 1951

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

AN ACT

To amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sections of the Bankhead-Jones Farm
4 Tenant Act, as amended (60 Stat. 1062), are hereby
5 amended as follows:

6 Amend section 4 by striking out the words "and insuring
7 mortgages" and "insure mortgages or" where they occur in

1 said section and amend the last sentence of section 12 (b)
2 to read as follows:

3 “With respect to any fiscal year, one-quarter of the
4 amount available for insurance, commitments and ac-
5 ceptance of mortgages under this title shall be distributed
6 among the several States and Territories on the basis of
7 bona fide applications and the availability of farms with
8 respect to which loans may be insured and the balance
9 shall be distributed on the basis provided in section 4,
10 and preferences shall be given to mortgages executed by
11 veterans qualified under section 1.”

12 SEC. 2. Amend section 21 to read:

13 “SEC. 21. (a) The Secretary may make loans to farmers
14 and stockmen who are citizens of the United States for the
15 purchase of livestock, seed, feed, fertilizer, farm equipment,
16 supplies, and other farm needs, the cost of reorganizing the
17 farming enterprise or changing farming practices to accom-
18 plish more diversified or more profitable farming operations,
19 the refinancing of existing indebtedness, and for family
20 subsistence.

21 “(b) No loan shall be made under this section for the
22 purchase or leasing of land or for the carrying on of any
23 land-purchase or land-leasing program. No initial loan to
24 any one borrower under this section shall exceed \$7,000 and
25 no further loan may be made under this section to a borrower

1 so long as the total amount outstanding, including accrued
2 interest, taxes, and other obligations properly chargeable to
3 the account of the borrower, exceeds \$10,000.

4 “(c) The terms of loans under this section, including
5 any renewal or extension of any such loan, shall not exceed
6 seven years from the date the original loan was made.

7 “(d) No person who has failed to liquidate his indebt-
8 edness under this section for seven consecutive years shall
9 be eligible for loans hereunder until he has paid such in-
10 debtedness in full, except that the indebtedness on loans
11 made prior to November 1, 1946, which are being serviced
12 and collected by the Farmers Home Administration, shall
13 not be subject to the limitations of this section until Novem-
14 ber 1, 1953.”

15 SEC. 3. Amend section 44 (c) by changing the period
16 at the end of said section to a colon and adding the following
17 proviso: “*Provided, however,* That in the case of mortgage
18 loans heretofore or hereafter insured under this title, the
19 Secretary may at his discretion delay his request for refinanc-
20 ing until the borrower has acquired a sufficient equity in the
21 farm to enable the holder of the insured mortgage to refi-
22 nance the loan on an uninsured basis under laws or regula-
23 tions to which he may be subject.”

24 SEC. 4. Amend section 48 by adding at the end of
25 said section the following sentence: “The foregoing require-

1 ments shall not preclude establishing the initial annual
2 payment at a date not exceeding two full crop years from
3 the date of the loan where the Secretary determines that
4 farm income sufficient to make the initial payment cannot
5 be readily anticipated at an earlier date, but this provision
6 shall not have the effect of extending the maximum term
7 of any loan.”

Passed the Senate June 21, 1951.

Attest:

LESLIE L. BIFFLE,

Secretary.

AN ACT

To amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes.

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him rather well. He was quiet, soft-spoken, and unassuming. He has been a loyal friend. He has been a patriotic, good American, motivated by only one purpose, one intent, and one objective: to serve his people and his country as best he knew how.

WILSON GILLETTE was a fine, Christian gentleman. He always had a kind word for everyone. He really loved his fellow men. I am proud to say he was my good friend. With the Pennsylvania delegation and with the Members on both sides of the aisle, I join in extending to his family my sincere sympathy in this hour of bereavement. WILSON GILLETTE was a great American. We shall sorely miss him.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I yield to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I doubt that there was a man in the House of Representatives who knew WILSON GILLETTE any better than I did. We had a great deal in common, because the New York-Pennsylvania boundary line ran along many miles of each of our districts. Many of my constituents came over into Susquehanna County, Pa., one of the counties that Mr. GILLETTE represented so ably. Because of this fact, we found ourselves forever communing with each other regarding individuals and fellow-Americans. I doubt that there is a Member of Congress who ever served with any greater decorum, any finer behavior, and with greater distinction than did WILSON GILLETTE. His speeches on the floor were few, but his acts were many. As one who has spent many years in his district in the past, I know that WILSON GILLETTE was greatly respected by the people he represented. The long affection which the people of Bradford County, his home county in Pennsylvania, held for him, as well as the people in all the other counties of his congressional district, is sufficient testimony of the gentility and the great ability of this splendid American who has represented northern Pennsylvania so many years in the Congress.

In the words of Shakespeare in Julius Caesar, "his life was gentle, the elements so mixed in him that nature might stand up and say to all the world, 'This was a man'."

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Speaker, it is only within the last few minutes that I heard the tragic and sad news of the passing of my neighbor in Pennsylvania, an old, old friend of mine since I was a boy in school.

This morning I was visiting two boys from my district who have returned wounded from Korea to Walter Reed Hospital. It is only a few minutes ago that I was coming up Pennsylvania Avenue in a cab, and as I approached Capitol Hill, over the Senate Office Building I saw the flag, the flag of our country, at half mast. I said to the cab driver, "I wonder who it is this time." It was the elevator boy who told me it was WILSON GILLETTE.

Congressman GILLETTE represented a great district, the old horseshoe district, in the northeastern part of Pennsylvania. It is a great agricultural district. Almost always, Mr. Speaker, you think of Pennsylvania as coal, steel, great cities, but we would have you know that we are one of the great agricultural States of this great agricultural Nation, WILSON GILLETTE came from the very center of one of those rich rural areas.

In these days when we speak of strange characters masquerading as Americans, when we speak of odd philosophies and foreign ideas, I am sure every man in this House who passed up that center aisle as we went through teller votes, can see sitting back there with two or three of his colleagues, this gracious, mild, easy-smiling, nice old man, a true American.

As a young lawyer, upon occasion I tried cases in the adjoining counties, and in his county of Bradford in the city of Towanda, he had frequently years ago been my host.

It is my belief, and I think I voice the feelings of his colleagues and mine, Mr. Speaker, that WILSON GILLETTE typified in his appearance, his manner, the way he served with us here, just about as close to what we think of as a 100 percent American as it is possible for anybody to be. I join with the delegation from the great Keystone State where he served in Harrisburg, our State capital, as a member of the legislature for 10 years, a great American, as has been said by so many here, a great Pennsylvanian—that means something to us; and as sure as his wife and his sister hear your words today so do all of us his friends and neighbors from way back in his own section of the country thank you and say we understand and appreciate your sorrows, your feelings, and your sentiments.

GENERAL LEAVE TO EXTEND

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD and may have 5 days in which to extend their remarks on the life and character of the late Honorable WILSON D. GILLETTE.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. REED of New York. Mr. Speaker, I am deeply grieved over the death of my dear personal friend, Hon. WILSON D. GILLETTE, of Pennsylvania. Few men have shown more unswerving courage and determination in the face of failing health to fully, faithfully, and efficiently discharge official duties than has our beloved colleague. In his passing I have lost a friend, the Congress an able legislator, and the great Keystone State a loyal public servant. The people of the Nation can ill afford in these critical times to spare the services of so able a Member of the House of Representatives.

I extend to his wife, relatives, and friends my sincere sympathy.

Mr. BUSH. Mr. Speaker, it was only a few moments ago that I learned of

the death of my very good friend, WILSON D. GILLETTE, who since 1941, when elected to the Seventy-seventh Congress at a special election held November 4, 1941, served in the United States House of Representatives. In fact, he represented part of the district which I now represent and made many loyal friends in these counties. Prior to his service in the United States Congress, as one of our State house of representatives, I met him and learned to know him and to appreciate his sterling qualities. WILSON was devoted to his community, district, State and Nation. He liked to be of service to his fellow man and gave to him and his problems his individual and sympathetic attention. He represented a true agricultural district and was ever ready to assist the farmer with his particular problem. He was a quiet, unassuming man, unexcitable; always thoughtful and considerate and his thoughts and convictions were deep and abiding. We shall miss him in the halls of Congress, where we have held him in such high esteem, and he will be missed by his constituents, who looked to him for representation in the truly American way. WILSON always upheld the principles of the Republican Party. If there ever was a man who earned his reward for good and faithful stewardship, not only to his God, but his district, State and Nation, it is our dearly departed friend. I join my colleagues in expressing my sympathy to his loved ones.

Mr. BECKWORTH. Mr. Speaker, I wish to express my deep sadness in the passing of our beloved colleague, Hon. WILSON GILLETTE. Representative GILLETTE for many years was one of the outstanding members of our committee, the Committee on Interstate and Foreign Commerce. Although by nature retiring and modest, WILSON rendered very valuable service to his country as a member of our committee. He was absolutely fearless. He knew his own mind. No person ever doubted what his position was on any issue.

It was my privilege to be with Mr. GILLETTE on a number of committee trips. Traveling with a person enables one to understand the true qualities of that person. Mr. GILLETTE was kind, considerate, and warm hearted. He loved his family, his neighbors, and the people of his district and his Nation. He had devoted his entire life endeavoring to help those about him. His public service was actuated by the highest motives and ideals. To Mrs. Gillette and the relatives of WILSON I extend my sincerest sympathy. We all shall miss him and the worthwhile service he rendered as a public servant.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I send to the desk a resolution (H. Res. 369).

The Clerk read as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. WILSON D. GILLETTE, a Representative from the State of Pennsylvania.

Resolved, That a committee of 12 Members of the House with such Members of the Senate as may be joined be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

The SPEAKER. The Chair appoints as members of the funeral committee the following Members of the House: Messrs. WALTER, EBERHARTER, SIMPSON of Pennsylvania, FENTON, GRAHAM, KELLEY of Pennsylvania, GAVIN, McCONNELL, MORGAN, DAGUE, FLOOD, and O'NEILL.

The Clerk will report the further resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 12 o'clock and 49 minutes p. m.) the House, under its previous order, adjourned until tomorrow, Wednesday, August 8, 1951, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

692. A letter from the Secretary, National Security Council, Executive Office of the President, transmitting a supplement to National Security Council Determination No. 5, pursuant to section 1302, Public Law 45 (Third Supplemental Appropriation Act, 1951); to the Committees on Appropriations, Armed Services, and Foreign Affairs.

693. A letter from the Attorney General, transmitting an order of the Acting Commissioner of Immigration and Naturalization, dated October 20, 1950, authorizing the temporary admission into the United States, for shore-leave purposes only, of alien seamen found to be excludable as persons within one of the classes enumerated in section 1 (2) of the act of October 16, 1918, as amended by section 22 of the Internal Security Act of 1950; to the Committee on the Judiciary.

694. A letter from the Deputy Attorney General, transmitting a draft of a proposed resolution entitled, "Resolution designating September 17 of each year as 'Citizenship Day'"; to the Committee on the Judiciary.

695. A letter from the Acting Assistant Secretary of the Interior, transmitting a certified copy of the acts of the fifth to the twelfth special sessions of the Seventeenth Legislature of Puerto Rico, 1950-51, pursuant to section 23 of the Organic Act of Puerto Rico; to the Committee on Interior and Insular Affairs.

696. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1952 in the amount of \$19,000 for the Tariff Commission (H. Doc. No. 220); to the Committee on Appropriations, and ordered, to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HÉBERT: Committee on Armed Services. S. 1244. An act to amend the Federal Civil Defense Act of 1950 to except the Territory of Alaska from certain restrictions upon the making of Federal contributions, and to amend the provisions thereof relating to the taking of oaths by certain civil defense personnel; without amendment (Rept. No. 796). Referred to the Committee of the Whole House on the State of the Union.

Mr. HÉBERT: Committee on Armed Services. H. R. 1184. A bill to authorize the training for, attendance at, and participation in, Olympic Games by military personnel, and for other purposes; without amendment (Rept. No. 797). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 3590. A bill relating to the income-tax treatment of gain realized on an involuntary conversion of property; without amendment (Rept. No. 798). Referred to the Committee of the Whole House on the State of the Union.

Mr. KING: Committee on Ways and Means. H. R. 2745. A bill to amend section 2801 (c) (1) of the Internal Revenue Code; without amendment (Rept. No. 799). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 4443. A bill to prevent the entry of certain mollusks into the United States; without amendment (Rept. No. 800). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 4014. A bill to amend section 3121 of the Internal Revenue Code; without amendment (Rept. No. 801). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 4948. A bill to suspend certain import duties on lead; without amendment (Rept. No. 802). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 684. An act to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes; without amendment (Rept. No. 803). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of New York:

H. R. 5061. A bill to amend the Uniform Code of Military Justice and for other purposes; to the Committee on Armed Services.

By Mr. KILDAY:

H. R. 5062. A bill to extend the authority of the Administrator of Veterans' Affairs to appoint and employ retired officers without affecting their retired status; to the Committee on Armed Services.

By Mr. MARSHALL:

H. R. 5063. A bill to amend the act of May 29, 1884, as amended, to permit the interstate movement, for immediate slaughter, of domestic animals which have reacted to a test for paratuberculosis or which, never having been vaccinated for brucellosis, have reacted to a test for brucellosis; and for other purposes; to the Committee on Agriculture.

By Mr. REED of Illinois:

H. R. 5064. A bill to amend the Bankruptcy Act, approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal subdivision b of section 64, subdivision h of section 70, and sections 118, 354, and 643 thereof and all acts and parts of acts inconsistent therewith; to the Committee on the Judiciary.

By Mr. RIVERS:

H. R. 5065. A bill to authorize payment for transportation of dependents, baggage and household goods, and effects of certain officers of the naval service under certain conditions, and for other purposes; to the Committee on Armed Services.

By Mr. SASSCER:

H. R. 5066. A bill to authorize the Post Office Department to designate enlisted personnel of the Army of the United States, the United States Navy, the Air Force of the United States, the United States Marine Corps and the United States Coast Guard as postal clerks and assistant postal clerks, and for other purposes; to the Committee on Armed Services.

By Mr. VINSON:

H. R. 5067. A bill to authorize the use of the incomplete submarine *Ulua* as a target for explosive tests, and for other purposes; to the Committee on Armed Services.

By Mr. EDWIN ARTHUR HALL:

H. R. 5068. A bill to perpetuate Americanism by requiring the Declaration of Independence to be displayed in all schools throughout America; to the Committee on Education and Labor.

By Mr. McMILLAN:

H. R. 5069. A bill to prohibit the making of any charge for public parking of motor vehicles at the Washington National Airport; to the Committee on Interstate and Foreign Commerce.

By Mr. AANDAH:

H. J. Res. 310. Joint resolution to change the name of the reservoir to be formed above Garrison Dam and known as Garrison Reservoir or Garrison Lake to Lake Thompson; to the Committee on Public Works.

By Mrs. ROGERS of Massachusetts:

H. Con. Res. 147. Concurrent resolution opposing the proposed consolidation of certain Veterans' Administration activities in the Philadelphia district office of the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. CLEMENTE:

H. Res. 370. Resolution providing for investigation of service academies by Armed Services Committee; to the Committee on Rules.

By Mr. RAMSAY:

H. Res. 371. Resolution providing for the payment of 6 months' salary and \$350 funeral expenses to Mrs. Minnie M. Ross, widow of Frank P. Ross, late an employee of the House of Representatives; to the Committee on House Administration.

"In terms of wine
gallons of 72 percent
total sugar content

"Country:

"Cuba-----	7,970,558
Dominican Republic-----	830,894
British West Indies-----	300,000
Other foreign countries--	0"

The committee amendment was agreed to.

Mr. HALE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as the distinguished chairman of the Committee on Agriculture knows, I am very much interested in this section of the bill in behalf of an importer of molasses in my district, who imports in small quantities from the British West Indies and Barbados. As is stated in the committee report, these importations presented a problem due to the fact that it is impracticable, for technical reasons—or at least very difficult—to have importations of molasses comply with the existing law as to soluble nonsugar solids. The distinguished chairman of the Committee on Agriculture gave very fair consideration to this problem as it affects my constituent and other importers of molasses. I am not at all sure that this is the best possible solution under all the circumstances, but it is certainly a fair recognition of the problem and a fair effort to deal with it, and I wish to express my personal gratitude to the committee.

I would like to inquire of the chairman of the committee whether the reference to quotas for the British West Indies is not in fact almost entirely taken up by importations from Barbados.

Mr. COOLEY. I think that is correct. It is meant almost entirely for Barbados molasses.

Mr. HALE. I think the British West Indies would not include British Guiana. I do not know whether there are any importations from British Guiana. Perhaps the gentleman can inform me whether that was any factor in the consideration.

Mr. COOLEY. I think our information was to the effect that this entire provision would be for Barbados molasses.

Mr. HALE. I am very grateful to the chairman and to the committee for their consideration. I think this provision of the bill is a salutary one.

I yield back the remainder of my time, Mr. Chairman.

The Clerk read as follows:

SEC. 4. Section 411 of such act is amended to read as follows:

"SEC. 411. The powers vested in the Secretary under this Act shall terminate on December 31, 1956, except that the Secretary shall have power to make payments under title III under programs applicable to the crop year 1956 and previous crop years."

Committee amendment: Page 6, line 7, strike out "4" and insert "5."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 5. Section 3508 of the Internal Revenue Code (relating to termination of taxes) is amended by striking out "June 30, 1953" wherever appearing therein and inserting in lieu thereof "June 30, 1957".

Committee amendment: Page 6, line 14, strike out "5" and insert "6."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 6. The amendments herein shall become effective January 1, 1953, except that sections 1 through 3 hereof shall be effective for purposes of the determinations and regulations required for the calendar year 1953.

Committee amendment: Page 6, line 18, strike out "6" and insert "7."

The committee amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I offer an amendment which is made necessary because the Printing Office failed to include one amendment which was adopted by the Committee.

The Clerk read as follows:

Committee amendment offered by Mr. COOLEY: page 6, line 18, strike out the figure "3" and insert in lieu thereof the figure "4."

The committee amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time merely for the purpose of complimenting and paying a brief tribute to the Administrator who has so well, effectively, and satisfactorily administered this sugar program. I have served on the Committee on Agriculture for many years, and I am frank to say that Mr. Lawrence Myers presented one of the most comprehensive statements when he appeared before our committee that it has been my pleasure ever to hear in that committee. He has demonstrated an impartial and fair attitude at all times and has administered the law in accordance with both its letter and its spirit.

I think it is due largely to Mr. Myers' efforts that all of the departments of the Government and all branches of the industry have been brought together in almost complete accord with regard to the problems involved. As I recall when I first came to Congress the sugar industry was in almost a state of chaos; you could hardly get one sugar man to speak to another; now they all seem to be as sweet as sugar and everything is going well. I think it is due largely to the magnificent manner in which Mr. Myers has administered the law.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Kansas.

Mr. HOPE. I simply want to join with my distinguished chairman in the tribute he has paid to Mr. Myers and the splendid way in which Mr. Myers has administered the present Sugar Act. I am sure that every member of the committee was well impressed with Mr. Myers' statement which was one of the finest, I think, that was ever made before our committee by any Government official.

Mr. COOLEY. I thank the gentleman.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRESTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the

bill (H. R. 4521) to amend and extend the Sugar Act of 1948, and for other purposes, directed him to report the same back to the House with sundry amendments adopted in the Committee of the Whole with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. COOLEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not the Chair will put them en grosse.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF BANKHEAD-JONES FARM TENANT ACT

Mr. COOLEY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 684) to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production- and subsistence-loan borrowers, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HOPE. Mr. Speaker, reserving the right to object, and I shall not, will the gentleman from North Carolina kindly explain the provisions of the bill?

Mr. COOLEY. I shall be very glad to yield to the gentleman from Oklahoma [Mr. ALBERT] for that purpose, and further to the gentleman from Alabama [Mr. JONES]. These two gentlemen were the authors of two bills which our committee considered.

Mr. ALBERT. Mr. Speaker, the House passed a similar bill to this, H. R. 7268, last year. It was known as the Pace bill. The gentleman from Alabama [Mr. JONES] and myself, introduced bills identical to the Pace bill this year. These were H. R. 2642 and H. R. 4077. The principal difference between our bills and S. 684 is that S. 684 did not increase the present mortgage lending authority of \$100,000,000 but left it exactly where it is in existing law. Mr. JONES' bill and mine would have increased this authority to \$200,000,000.

ANALYSIS OF S. 684

The words "and insuring mortgages" and "insured mortgages or" in lines 6 and 7 of page 1 are stricken out so that the formulas regarding direct loans and insured loans will be different. Lines 3 to 11, page 2, sets up a new formula in the case of insured loans.

Under the present law, both direct and insured loans are made with reference to farm population and prevalence of tenancy in the various States. With this amendment, direct loans will continue to be made on this basis. With respect to insured loans, however, one-quarter or \$25,000,000 of present \$100,000,000 insur-

ance authority will be distributed to the various States and Territories based on applications and without regard to the farm population or prevalence of tenancy formula. This change in the law is necessary in order to enable some of the Western States where farm tenancy population ratio is low, to take advantage of the act.

Section 2: Section 2 relates to operating loans and makes four changes in the present law.

First. It raises the limit on the amount of initial operating loans from \$3,500 to \$7,000.

Second. It raises the debt limit for such loans from \$5,000 to \$10,000.

Third. It raises the maximum repayment period from 5 to 7 years.

Fourth. It raises from 5 to 7 years the period during which a borrower may be continually indebted for operating loans and still be eligible for additional financial assistance.

The need for increasing initial operating loans and debt limits on such loans are related directly to the changed agricultural situation. The prices farmers have to pay for items used in their operations have increased sharply in recent years. At the present time, \$5,900 is required to purchase the same amount of machinery and livestock as could be purchased in 1946 for \$3,500. Additional amounts are further needed because of the increased tendency to mechanize and to use fertilizer and soil-improvement practices.

The time limit is raised from 5 to 7 years because experience has shown that 5 years are not sufficient time for many family-type farmers to make and pay for needed major adjustments in their farming operations. This has been brought out by studies made by the North Carolina Agricultural Experiment Station and by the Federal Reserve Bank of St. Louis.

Section 3: Section 3 of the bill provides that in the case of insured mortgage loans, the Secretary may at his discretion delay his request for financing until the borrower has acquired a sufficient equity in the farm to enable the holder of the insured mortgage to refinance the loan on an uninsured basis under the laws or regulations to which he may be subject.

The reason for this provision is that many lenders do not have legal authority to make conventional loans unless the equity is greater than the present law requires for refinancing. This gives such lenders a chance to carry the loan after its insured features have lapsed. Where lenders are unwilling to do so, the borrower will still be required to refinance a loan with any other responsible credit source available.

Section 4: Section 4 allows discretionary authority to defer the initial payment for real estate or operating loans at a date not exceeding two full crop years from the date of the loan, if the Secretary determines that farm income is sufficient to make the initial payment cannot readily be anticipated at an earlier date.

This provision is necessary, particularly when loans are made involving sub-

stantial land development or the conversion of a farm operation to a substantially different type. In such cases, yields are delayed generally until livestock matures or pastures have become productive or land development is completed. Under such circumstances it is unrealistic to require repayment within a period of 1 year.

Mr. JONES of Alabama. Mr. Speaker, I hesitate to impose on the time of the House by commenting on the pending measure especially after the very fine analysis made by the coauthor the gentleman from Oklahoma [Mr. ALBERT], who has just preceded me. However, I would like to emphasize the most salient points that were brought to your attention by my distinguished colleague.

Mr. Speaker, I would like to preface my remarks on this pending measure by giving an account of the history of this legislation. Most of us no doubt recall that year before last, during the first session of the Eighty-first Congress, we passed an almost identical bill authored by Mr. Pace and myself which failed to be adopted in the Senate. This year the Senate has adopted S-684 which is almost identical with the pending legislation in the House of which the gentleman from Oklahoma, Congressman ALBERT, and I are coauthors.

The distinguished Agriculture Committee has gone into this measure most thoroughly and has reported the bill unanimously. I wish to commend this excellent committee for the very thorough and punctual consideration that attended their deliberation on this measure.

Undoubtedly, the most urgent features of this bill are those provisions which amend title II of the Bankhead-Jones Farm Tenant Act dealing with so-called production and subsistence-operating loans. Provision is made to increase the limitation on the amount of an initial operating loan from \$3,500 to \$7,000 and to increase from \$5,000 to \$10,000 the total debt limit for such loans. Provision is also made to raise from 5 to 7 years the period during which operating loans must be repaid, and extend from 5 to 7 years the period beyond which borrowers who are continuously indebted for loans may be eligible for additional financial assistance.

There are two primary reasons why the limitations on the size and the total amount of operating loans need to be increased:

First, modern farming requires more extensive use of credit than in any previous period of our history. To achieve greater efficiency and security in the operation of family-type farms usually involves additional mechanization, increased use of fertilizer, additional investments in soil improvement, fencing, and livestock.

According to the Bureau of Agricultural Economics studies, the total average investment, but not necessarily the amount of credit needed, for farm machinery and productive livestock on family-operated farms in four major types of farming areas during 1949 were as follows: \$8,941 for Wisconsin dairy farms; \$7,921 for wheat, corn, and live-

stock farms in the Northern Plains; \$7,487 for hog, corn, and beef cattle farms in the Corn Belt; and \$6,800 for combination cotton and dairy farms in the South. These figures represent the average investments, based on actual farm inventory values, for livestock and machinery on typical family-operated farms. They do not include annual operating capital needed for carrying out the farming operations. Since these figures represent averages for the farmers included in each group, they do not reflect the increased capital investments that would be required by farmers who have limited resources with which to start farming. Under the present loan limitations, it is necessary in many areas to limit operating credit assistance under this program to only those applicants who have acquired considerable equity in machinery and livestock. Many established farmers need to change from a single cash crop system to a diversified system in order to increase their incomes to produce a satisfactory living for their families, meet operating expenses, fixed overhead costs, repay loans, and maintain or improve the fertility of the soil. For many of these family-type farm operators to undertake successfully a sound, well-balanced farming operation, credit in excess of the present limitations is required.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, I would like to state that the gentleman from Alabama, who is now addressing the House, introduced H. R. 2642, which was the first bill introduced in this Congress on this subject.

Mr. JONES of Alabama. I appreciate the statement made by the distinguished gentleman from Oklahoma concerning this bill. As coauthor of this measure I can assure the Members of the House that it has been a rare privilege indeed to have worked with him in the preparation and presentation of the bill to the committee and to the House. No one has shown a keener insight into the problems of agriculture nor has there been a more zealous advocate for rural America than my friend and colleague the gentleman from Oklahoma [Mr. ALBERT].

The second reason why the limitations on the size and total amount of operating loans need to be increased is because prices which farmers have to pay for the items used in their operations have increased sharply in recent years and it is absolutely necessary to have more cash or credit to meet operating costs. For example, a farmer who would have required a \$3,500 loan in 1946 for annual operating expenses and the purchase of machinery and livestock would have required a loan of approximately \$5,900 for the same purposes in March 1951. This represents an increase of 61 percent. Large numbers of family-type operators are finding it impossible to obtain credit in adequate amounts for making needed improvements. They are forced to continue farming under a system which precluded

the use of improved practices and the possibility of increased production and income which would be derived therefrom. Because of the increases in costs and the limitations on the size and total amount of operating loans which can be advanced under present authorities, it is impossible to provide credit assistance to a great many farmers who need and are eligible for such assistance.

The need for extending the present maximum repayment period of 5 years for farm operating loans and for increasing the period during which borrowers may continue to receive loan assistance is clearly indicated by the experience in the field of operating credit which the Farmers Home Administration has had and is clearly brought out as a result of studies made by the North Carolina Agricultural Experiment Station and the Federal Reserve Bank of St. Louis. The Farmers Home Administration records show that a higher percentage of borrowers remained on the program more than 5 years in areas requiring larger investments in operating capital than in those areas where relatively small investments are required. For example, in the Midwest where the pattern of farming represents a combination of livestock and such crops, 36 percent of the borrowers required more than 5 years to retire their operating loan indebtedness. The separate studies made recently by the Federal Reserve Bank of St. Louis and the North Carolina Agricultural Experiment Station also indicate that 5 years is not sufficient time for many family-type farmers to complete needed major adjustments in their farming operations. The results of these studies show that many farm operators cannot successfully undertake a balanced or diversified farm program unless, first, credit is available in adequate amounts during the adjustment period; and, second, the repayment schedule is extended over a sufficient number of years to permit the loans to be repaid from the increased returns which materialize only after the improvement program is well under way.

I would like to comment briefly on the section of the bill which would authorize the deferment of initial annual payment for a period not exceeding two full crop years from the date of the loan in those instances where it is determined that anticipated farm income will not be sufficient to make the initial payment at an earlier date. This applies to both real estate and operating loans. Under present law, the repayment schedule must provide for annual repayments beginning with the year in which the loan is made. In assisting farmers in making major adjustments in their farming operations and in helping beginning farmers to become established to carry on sound operations, it is often found that the continuing costs exceed returns for the first two years when relatively large investments are needed in real estate improvements, and also in machinery, livestock and fencing. In many instances borrowers will not have sufficient income to make any repayments until the end of the second year. The

present requirement that annual repayments be made on loans advanced by the Farmers Home Administration beginning with the year in which the loan is made presents a difficult problem in the administration of the operating loan program.

Title IV of the Bankhead-Jones Farm Tenant Act presently requires that when a borrower has acquired sufficient equity in his farm to obtain a loan on a noninsured basis, the Secretary will require that the loan be refinanced. Some investors in insured farm mortgages make the initial loan with the purpose in mind of observing the progress of the borrower until such time as his equity in the farm is sufficient to enable the insured lender to take over the loan without the benefit of Government insurance. At present, such a lender, because of the legal requirements under which he operates, might find himself unable to take a loan on a noninsured basis. The final provision of this pending bill is intended to permit the holder of an insured mortgage to retain the mortgage under certain circumstances until he can take it over on a noninsured basis under the legal requirements under which he operates. The proposed amendment is considered desirable in maintaining good working relationship with lenders who desire to convert insured mortgages to conventional type real estate loans. The borrower will continue to have the option of selecting a lender of his own choosing at any time that he is able to obtain a loan from a private source.

The present production goals set for the farms throughout the country as part of our defense efforts are being accomplished magnificently as attested by recent crop reports. The farm people of America have again demonstrated their patriotism by producing in abundance the food and fiber so vitally needed. The enactment of this bill will assist them in continuing this record of production and will, at the same time, provide a sound and constructive farm credit for their future welfare.

Mr. ELLIOTT. Mr. Speaker, I favor the bill before us, S. 684, which follows the principles enunciated by the bills introduced in the House by the gentleman from Oklahoma [Mr. ALBERT] and by the gentleman from Alabama [Mr. JONES], both of whom are entitled to the thanks of this House for bringing here a bill that is so just in its merits and is so badly needed by the farmers of America at this time.

Mr. Speaker, I favor this bill and hope that the House will pass it unanimously. It provides that a qualified farmer may initially borrow, as an operating loan for his farm up to \$7,000. The present law provides a limitation of \$3,500 for the first loan. This figure was fixed several years ago and does not reflect the increasing costs of the materials, equipment, and supplies that go today toward making an efficient farm-operating unit.

The bill goes further and provides that the total debt limit on production loans be raised from the present figure of \$5,000 to \$10,000. The wisdom of this provision is borne out when we realize

that the cost of the average farm in the Southeast today is about \$6,800 and this does not include money for operating costs.

A third very important provision of the bill is that it extends from 5 to 7 years the period during which one of these operating loans must be repaid and provides that the Government may, in the light of existing conditions, allow to a farmer indebted to it under this program two full-crop years before he starts repaying this loan.

Mr. Speaker, I have the honor to represent an agricultural district. The Seventh Congressional District of Alabama has the largest number of farms of any congressional district of Alabama, a total of 34,431, according to the 1950 census. Cullman County, in the Seventh District, has 7,744 farms, the largest number of any county in the entire State of Alabama. Blount County has 4,747 farms; Walker has 4,354; Marion, 3,718; Pickens, 3,441; Franklin, 2,909; Lamar, 2,657; Fayette, 2,581; and Winston, 2,280; I recite these figures to show the large number of farms in our district, and with such a large number it necessarily means that they must be what are commonly called small farms. As a matter of fact the average size of all these farms would be considerably less than 100 acres each.

No industry in the past 20 years has made more rapid progress than has farming. Crops have been and are being diversified. New crops call for new methods of preparation, methods that are oftentimes very expensive. For instance, the cash outlay in converting cropland to pasture land is ordinarily somewhere in the neighborhood of \$30 per acre. The South, and particularly Alabama, is a growing cattle country. It is suited to the growth of cattle, hogs, and pastures. The little farmer needs credit with which to convert to these new means of earning a better living for himself. This bill will go a long way toward aiding him to obtain the needed credit.

Last year I was invited to meet with various groups of farmers over the Seventh District, in open discussions of present farm needs. Invariably, I gathered the impression that there are thousands of farmers in the congressional district which I represent that now have the know-how to proceed to a more profitable type of farming for themselves and their families. The question is where are they to obtain the financing, the credit with which to make this adjustment. This bill goes a part of the way, at least, in the right direction.

We have provided very favorable terms, both as to credit and for tax purposes, for industrial expansion, and I have voted for these aids, with the knowledge that the country needed its industry greatly expanded to meet the threat of the war with communism that hangs so heavily over our land.

The farm is the basic unit of our preparedness. For, it is on the farm that we must produce the food and fiber for our own growing population, and to help feed the allies who join with us to stop

the aggressions of communism. Our farms must be made strong in the production effort. Credit should be extended to them to the end that they become as efficient, as productive, as these times demand.

This is not a give-away program. This is not a socialistic program. The loans which this bill envisions will be repaid to the Government with interest. The interest will pay for the costs of administration of the program.

(Mr. JONES of Alabama asked and was given permission to revise and extend his remarks.)

Mr. HOPE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the following sections of the Bankhead-Jones Farm Tenant Act, as amended (60 Stat. 1062), are hereby amended as follows:

Amend section 4 by striking out the words "and insuring mortgages" and "insure mortgages or" where they occur in said section and amend the last sentence of section 12 (b) to read as follows:

"With respect to any fiscal year, one-quarter of the amount available for insurance, commitments and acceptance of mortgages under this title shall be distributed among the several States and Territories on the basis of bona fide applications and the availability of farms with respect to which loans may be insured and the balance shall be distributed on the basis provided in section 4, and preferences shall be given to mortgages executed by veterans qualified under section 1."

SEC. 2. Amend section 21 to read:

"SEC. 21. (a) The Secretary may make loans to farmers and stockmen who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs, the cost of reorganizing the farming enterprise or changing farming practices to accomplish more diversified or more profitable farming operations, the refinancing of existing indebtedness, and for family subsistence.

"(b) No loan shall be made under this section for the purchase or leasing of land or for carrying on of any land-purchase or land-leasing program. No initial loan to any one borrower under this section shall exceed \$7,000 and no further loan may be made under this section to a borrower so long as the total amount outstanding, including accrued interest, taxes and other obligations properly chargeable to the account of the borrower, exceeds \$10,000.

"(c) The terms of loans under this section, including any renewal or extension of any such loan, shall not exceed 7 years from the date the original loan was made.

"(d) No person who has failed to liquidate his indebtedness under this section for seven consecutive years shall be eligible for loans hereunder until he has paid such indebtedness in full, except that the indebtedness on loans made prior to November 1, 1946, which are being serviced and collected by the Farmers Home Administration, shall not be subject to the limitations of this section until November 1, 1953."

SEC. 3. Amend section 44 (c) by changing the period at the end of said section to a colon and adding the following proviso: "Provided however, That in the case of mortgage loans heretofore or hereafter insured under this title, the Secretary may at his discretion delay his request for refinancing until the borrower has acquired a sufficient equity in the farm to enable the holder of

the insured mortgage to refinance the loan on an uninsured basis under laws or regulations to which he may be subject."

SEC. 4. Amend section 48 by adding at the end of said section the following sentence: "The foregoing requirements shall not preclude establishing the initial annual payment at a date not exceeding two full crop years from the date of the loan where the Secretary determines that farm income sufficient to make the initial payment cannot be readily anticipated at an earlier date, but this provision shall not have the effect of extending the maximum term of any loan."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

(Mr. KILDAY asked and was given permission to address the House today for 10 minutes following any special orders heretofore entered.)

INDEPENDENT OFFICES APPROPRIATION BILL, CONFERENCE REPORT

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the managers on the part of the House in the conference on the bill H. R. 3880 may have until midnight tonight to file a conference report?

Mr. PHILLIPS. Reserving the right to object, Mr. Speaker, is that the independent offices appropriation bill conference report?

Mr. PRIEST. It is.

Mr. PHILLIPS. I understand the intent is still to bring it up on Wednesday, on the regular program?

Mr. PRIEST. That is my understanding.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

PROPOSED AMENDMENT OF RULES OF THE HOUSE

(Mr. MEADER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include a statement and a resolution.)

Mr. MEADER. Mr. Speaker, I have today introduced a resolution to amend the Rules of the House so as to provide that standing committees and subcommittees are authorized to fix a lesser number than a majority as a quorum for the purpose of taking sworn testimony.

In my judgment, this is a necessary reform in the Rules of the House which will strengthen House committees and subcommittees and facilitate their investigative work.

I think it should be pointed out that if this amendment to the rules is adopted it will bring the Rules of the House in line with the Rules of the Senate as amended February 1, 1950, by Senate Resolution 180.

This action is made necessary by the holding of the Supreme Court in *Christoffel v. United States* ((1949) 338 U. S. 84), and under leave to extend my remarks I will include a statement explaining the amended rule and the circumstances which make its adoption desirable.

I hope the House will act promptly on this resolution.

The decision in *Christoffel* against United States, supra, was a remarkable holding. We witnessed the rather unusual and undignified spectacle of Members of Congress being subpoenaed before a jury of a court of the District of Columbia to testify whether or not they were present at the time certain allegedly perjurious statements were made by Christoffel.

Article IV of the Constitution provides that full faith and credit shall be given in each State to the public acts, records, and judicial proceedings of every other State and that the Congress may, by general laws, prescribe the manner in which such acts, records, and proceedings shall be proved, and the effect thereof.

It would seem on the surface that the records of the Congress and its committees should likewise be entitled to full faith and credit in the courts. A learned discussion of this principle is contained in an article in the California Law Review by Gerald Morgan, formerly legislative counsel for the House of Representatives—Congressional Investigations and Judicial Review, California Law Review, December 1949, volume 37, No. 4.

However, the Christoffel decision did not adopt the doctrine referred to above which would seem to be sound. Instead, the Supreme Court held in the Christoffel case that the Congress was at liberty to adopt whatever rules it saw fit for the conduct of its proceedings, but having once adopted the rules, the courts would review the manner in which those rules were observed, and that such observance was a matter of fact susceptible of proof before a jury.

The dissenting opinion in the Christoffel case pointed to the disastrous effects of the majority decision. It is to be hoped that when this matter again comes before the Supreme Court, the Christoffel holding will be overruled and a better reasoned and clearer announcement of sound doctrine of legislative procedure will be made.

Nevertheless, under the existing state of the law there is presently available to the Congress in protection of its powers and the facility with which it conducts its business, only the remedy of amending its rules along the lines suggested in the resolution I have introduced.

Three things should be noted about the proposed amendment to the rules. First, it merely empowers standing committees and subcommittees to fix a lesser number than a majority as a quorum for the purpose of taking sworn testimony. Unless the standing committee or subcommittee takes formal action to reduce the number of members to constitute a quorum, a majority of the membership would be required. Second, it should be noted that the quorum provided by the amended rule would be for the sole and exclusive purpose of taking sworn testimony. A quorum for every other purpose of committee action would remain as it now is. Third, it should be noted that the amended rule prohibits one-man subcommittees by requiring that at least one member of the majority party and one member of the

men, too, and at greater cost. So in my judgment this bill is a means of reducing the inevitable drain that would otherwise come upon our economy. It is in the interest of the long-term solvency of our country as well as its defense.

The Bankhead-Jones Farm Tenant Act

EXTENSION OF REMARKS

OF

HON. ROBERT E. JONES, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 21, 1951

Mr. JONES of Alabama. Mr. Speaker, when we look back upon the actions of the Eighty-second Congress, I am sure one of its high lights will be the passage of the amendments to the Bankhead-Jones Farm Tenant Act. As the original House cosponsor of this bill, I first submitted this amendment in the very sincere belief that it was urgently needed by the farmers of my district, and the whole country.

As finally passed, the new amendment to the Bankhead-Jones Farm Tenant Act increases the amount which can be loaned to an individual farmer at one time from \$3,500 to \$7,000 for farm and home-operating needs. It permits that farmer to have a total indebtedness at any one time of \$10,000. It increases from 5 to 7 years the time he has to repay the loan.

For the farmer I believe you will all agree that this is a good bill. By today's prices, \$3,500 was all too little if a new farmer was to be allowed to make a start. If one of my constituents, say in Jackson County, wanted to change over from cotton farming to a combination of cotton and dairying, for example, it would take more than \$3,500 to buy the cows he needed, develop his pastures, and fix his barns so they would allow him to sell grade A milk. But he could make a good start if he were allowed to borrow \$7,000.

On the other hand this same farmer who wanted to change over to a cotton-dairy combination would need at least a year or two to get his pasture developed, and it takes three more years to grow a calf into an income-producing milk cow. In other words, this farmer who started from scratch would not really be making any income from those cows until the fifth year. If he has to pay back the loan during those 5 years, he probably has to sell off some of his base livestock to make the payments. The extra 2 years for repayments allows him to pay from the milk checks he receives after the cows come into production.

As I said, then, this new law should help the farmer. But have you ever stopped to think how it helps the other people in the community, too?

Let us continue using that same farmer who converts from cotton to a cotton-dairy form of agriculture as our example. If he uses the Farmers Home Administration as his ladder up which he climbs to farming success, he starts by receiving a loan. Under the old law this

loan might be for a maximum of \$3,500. Now it can be \$7,000. And where does he spend that \$7,000? Almost all of it is spent right in his own community.

Maybe he spends a thousand dollars of it to buy a tractor. If he obtained the loan in Jackson County, it was probably spent with an equipment dealer right there in Scottsboro, Ala.

Part of the money will be spent for fuel for that tractor. It would be bought in Jackson County, too.

He would probably need some feed for those new cows he has purchased, at least until he had developed his pasture. And some seed to plant that pasture. That is where our Scottsboro feed and seed dealers share in the loan check. Somebody right in the county probably sold him the new cows, too.

Because all Farmers Home Administration loans are made after a sound plan for operating both the borrower's farm and home is worked out, the \$7,000 loan probably included some money for a new refrigerator, washing machine, or other household equipment. Those items would be bought right in Jackson County, from local furniture or appliance dealers.

Those changes in his dairy barn, made so he could sell grade-A milk, required lumber—and labor—which made sales for local dealers or work for local carpenters.

Other items purchased with that \$7,000 loan check would be bought from local dealers; but I am sure I have made my point. The \$7,000 was new money coming into the community. There is an old saying that every dollar which comes into a community is spent 10 times before it leaves, so that would mean a total turn-over of about \$70,000 right in Scottsboro from that one loan. The Farmers Home Administration officials in Washington tell me they have allotted \$3,200,000 for loans this year under this program in Alabama, so it would mean that a \$30,000,000 turn-over within the State will be possible by June 1952.

Actually that is only one—but a very important—way that this new amendment will help both farmers and non-farmers. I would like to list a few of the others.

There will be more essential food and fiber produced on our farms. The farmer who could only borrow \$3,500 under the old law might end up with a dairy herd of about 6 cows. The milk from one of them would be used by his family, and he would be able to sell milk from about five. If they are average cows, his farm might produce 30,000 pounds of milk during the year. That is about 4,000 gallons, roughly.

But if he had \$7,000 with which to start his farming operations, he could end up with about 20 cows, and his farm would produce about 15,000 gallons of milk per year. That means a lot more milk for the city people who depend on these farmers for their dairy products.

And of course it means more income for the farmer—and that income is spent right in the home community, too. Because the farmer earns more, he can spend more, and he spends it with the home-town merchants.

The amendment will make for better schools and churches in our rural areas

and small towns. The church is always just as prosperous as the persons who attend it; and so if we improve the economic status of our farmers, we help the churches, too. Similarly, the children of these farmers will be able to attend school longer when their parents are more prosperous; and the parents will take a more active part in community affairs. They will become better citizens of their community.

The local banks will be helped, too. These loans are made to persons who cannot qualify for bank credit at the time the loan is made; but by the time the borrower has repaid his loan he has assembled the necessary chattels and has learned money management to the point where he becomes a good customer of the bank. I recently saw a report where a local banker was asked to look over a list of paid-up Farmers Home Administration borrowers who farmed near his bank. Of the 32 names on the list he identified 26 of them as persons who were then depositors or borrowers of his bank; and he said that none of the 26 would have been made a loan by him at the time they first came to FHA for credit. The same list shown to the implement dealer of the community showed some equally interesting facts. This dealer recognized twelve of the thirty-two as persons who had bought heavy farm equipment from him that year—and all 12 of them were ones he had personally financed because he considered them good credit risks. He, too, said that he would not have done so a few years earlier for the same families.

In a Mississippi county which adjoins my district and where the situation is very similar, a few years ago a carload of milk was brought into the county every day to supply local needs of the county-seat town. Today there are 19 farmers in the county who produce grade-A milk as compared to only one when this county was importing its milk. Today those 19 farms provide almost all the milk used in the county-seat town, and 18 of the 19 obtained their start in dairying through loans such as are now possible under this amendment. It took those 18 farmers several years to get started because they could borrow only \$3,500 to make that start, and had to build from that point. Today they could borrow \$7,000 if necessary, and with this larger loan could have started providing local milk much earlier. Their community would have prospered more, because it would have been buying local milk and the money would be spent over and over again in their home community. We have a lot of communities in my district which are sending their county dollars to Wisconsin or other dairy States and this new loan program will help them develop a local industry which will continue to be local. It's what my district—and the South—needs. I believe the recently enacted Magnuson amendment will go a long way toward doing the job.

I thought so when, during the Eighty-first Congress, I cosponsored this bill with Congressman Pace of Georgia. When that earlier bill was passed by the House of Representatives but was still in Senate committee when the Eighty-

first Congress adjourned, I continued to believe it was necessary for my constituents, and was glad to have an opportunity to again cosponsor it in the eighty-second Congress. Like the Farm Housing Act of 1949, for which I fought for more than 3 years before it finally became law, this amendment represents a long, but a very worth-while struggle. I, and I am sure all of my colleagues, are proud that the fight has been successful, and that our people—both farmers and those who live in the cities—can now benefit by its provisions.

States Should Win Tidelands Oil Fight

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 21, 1951

Mr. DOYLE. Mr. Speaker, under unanimous consent previously granted me, I present for the consideration of all my distinguished colleagues in this great legislative body, an editorial which appears in the Daily News, Los Angeles, Calif., August 3, 1951.

My record on this matter, beginning in the Seventy-ninth Congress, shows that I have vigorously supported the premise taken in this editorial by Manchester Boddy, the distinguished editor of this great metropolitan American newspaper.

The editorial follows:

STATES SHOULD WIN TIDELANDS OIL FIGHT

The United States—one of the world's greatest oil countries—has been forced to import more than 1,000,000 barrels of oil a day. Domestic production is about 6,000,000 barrels a day.

In event of a major war, according to a statement to Congress in January by Secretary of the Interior Oscar L. Chapman, this country could boost production by 700,000 barrels but would still be 500,000 short of wartime needs.

The Middle East, which supplies oil to the free world is now rocked by political and social turmoil. If Middle East wells should be cut off or diverted to iron-curtain countries, the rest of the free world would look to the Americas for oil.

Nevertheless and despite repeated warnings that the United States and the Western World face a critical oil shortage, Congress and the Truman administration are still deadlocked over control of the tidelands oil fields; and exploitation of fields in the oil-rich Gulf of Mexico is at a standstill. Almost every State has entered the fight.

DISPUTE HOLDS UP NEW LEASES

No new leases for oil hunting or drillings in the Gulf have been granted since 1948. No new leases are in prospect until Congress and the administration settle these questions:

Who shall control the offshore oil lands—the Federal Government or the coastal States? How shall royalty payments from the oil companies be divided?

The dispute has been thrown into the lap of Congress.

States' rights spokesmen from 38 States are backing bills to quitclaim all rights to the rich underwater oil fields which were awarded to the Federal Government in a

series of controversial Supreme Court decisions.

But administration supporters are fighting to nail down Federal control over the lands. They warn that President Truman will veto any quitclaim bill and claim a veto cannot be overridden by Congress.

Both sides have offered compromises. The administration is willing to accept temporary control just to get the oil flowing and has offered to use the oil money for aid to the Nation's schools. The States say they, too, would accept temporary control pending a final solution.

STATES BASE CLAIMS ON HISTORY

The coastal States base their claims to the lands on history. They say that States have owned the offshore areas since colonial times. The Federal Government claim hinges on the Supreme Court decisions, which in turn were based mainly on considerations of international law.

The States say there is ample evidence the original 13 colonies owned at least a 3-mile strip of water off their coasts, and no transfer of this area was made when the colonies voluntarily came together into a Federal union; nowhere in the Constitution does it specify the Federal Government owns the adjacent seas, and what isn't given the Federal Government by the Constitution automatically goes to the States.

The only way out of the costly stalemate, it seems to us, is for Congress to overrule the Supreme Court decisions. Administration bills, dealing with phases of the issue, have included specific disclaimers to inland waterways, to harbors, to piers and to other improvements built into the sea. One more step is in order: a disclaimer to the tidelands.

When the issue first came up, sponsors of Federal over State ownership attempted to rationalize their position with the argument that the Federal Government needed ownership of the oil lands in order to maintain adequate oil reserves for future use.

Experience through World War II and subsequent years has demonstrated that the major oil producers of the United States have cooperated with the Federal Government to the fullest possible extent and maintained a self-policing policy that went far beyond the system of controls imposed by Government over many other major industries. The oil industry in the United States has long since come of age. It is no longer an irresponsible collection of freebooters out to pillage for today and to hell with tomorrow.

But Congress is not faced with a public versus private ownership issue. It is a question of Federal versus State governments. Whichever side wins, private industry will produce the oil.

If State ownership prevails, as we think it should, the people of California will benefit from the production of California oil. If the Federal ownership side wins, you may be sure the politicians of 47 other States will have a grand time appropriating the take from California tidelands production.

MANCHESTER BODDY.

Judges Should Not Be Character Witnesses

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 21, 1951

Mr. KEATING. Mr. Speaker, widespread interest has been demonstrated in the bill to bar Supreme Court Jus-

tices from acting as character witnesses in the Federal courts. Typical editorial reaction is represented by the comments from the Danbury (Conn.) News-Times, Ansonia (Conn.) Sentinel, Atlantic City (N. J.) Press, Long Beach (Calif.) Press-Telegram, and Pittsburgh (Pa.) Post-Gazette, which I include below, under leave to extend my remarks:

[From the Danbury (Conn.) News-Times of July 11, 1951]

SUPREME COURT TESTIMONY

Probably Justices Frankfurter and Reed, of the Supreme Court, would be very happy to forget, and to have the country forget, that they both appeared as character witnesses for Alger Hiss. But a good many Americans still have a bad taste in their mouths as they recall this.

If the Keating bill should pass, no Justice of the Supreme Court will ever again be called as a witness in any Federal court proceeding. The bill has the approval of a subcommittee of the House Judiciary Committee. It should have popular support, and be enacted into law.

The Supreme Court, for many reasons, is not held in the greatest respect these days, either by the legal profession or by the public. And certainly the showing made by Justices Frankfurter and Reed in their defense of the unspeakable Hiss has not helped restore to the High Court any of its lost prestige.

[From the Ansonia (Conn.) Sentinel of July 13, 1951]

JUDGES AS WITNESSES

Justices of the United States Supreme Court would be barred from testifying as character witnesses, or on matters of opinion, under a bill soon to be considered by the House Judiciary Committee and endorsed this week by a subcommittee. Representative KEATING, Republican, of New York, who introduced the bill, has declared that he was motivated by the appearances of Justices Frankfurter and Reed as character witnesses for Alger Hiss in his first trial.

Justice Reed had been subpoenaed by the Hiss defense; Justice Frankfurter was a volunteer witness. Chief Judge Magruder of the United States Court of Appeals in the first district was also a character witness for Hiss.

An alternative bill, introduced by Representative SMITH, Republican, of Wisconsin, would provide simply that no Federal judge could be compelled to testify as to character or to appear as a witness if similar testimony could be obtained from other witnesses.

Representative KEATING points to the possibility of some smart lawyer subpoenaing most or all members of the Supreme Court as witnesses in a lower court trial. Then the Court would be unable to pass on an appeal in the case. Reed and Frankfurter both disqualified themselves in the Hiss appeal.

An earlier case of 1905 has been unearthed in which two Supreme Court Justices appeared on the list of witnesses but there is no indication that they were ever actually called to the witness stand.

Prior to making its favorable report on the Keating bill the House subcommittee had received a letter from Chief Justice Vinson, declining comment on the measure. Vinson said he and the other Justices felt that they should not go on record. Deputy Attorney General Ford had advised the subcommittee that the Justice Department also preferred to make no recommendation.

Representative KEATING certainly has a point. Had there been such a law the Nation might not have been treated to the spectacle of a Justice of the Supreme Court of the land rushing down to give character

Public Law 123 - 82d Congress
Chapter 344 - 1st Session
S. 684

AN ACT

To amend the Bankhead-Jones Farm Tenant Act—so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sections of the Bankhead-Jones Farm Tenant Act, as amended (60 Stat. 1062), are hereby amended as follows:

Amend section 4 by striking out the words “and insuring mortgages” and “insure mortgages or” where they occur in said section and amend the last sentence of section 12 (b) to read as follows:

“With respect to any fiscal year, one-quarter of the amount available for insurance, commitments and acceptance of mortgages under this title shall be distributed among the several States and Territories on the basis of bona fide applications and the availability of farms with respect to which loans may be insured and the balance shall be distributed on the basis provided in section 4, and preferences shall be given to mortgages executed by veterans qualified under section 1.”

SEC. 2. Amend section 21 to read:

“SEC. 21. (a) The Secretary may make loans to farmers and stockmen who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs, the cost of reorganizing the farming enterprise or changing farming practices to accomplish more diversified or more profitable farming operations, the refinancing of existing indebtedness, and for family subsistence.

“(b) No loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program. No initial loan to any one borrower under this section shall exceed \$7,000 and no further loan may be made under this section to a borrower so long as the total amount outstanding, including accrued interest, taxes, and other obligations properly chargeable to the account of the borrower, exceeds \$10,000.

“(c) The terms of loans under this section, including any renewal or extension of any such loan, shall not exceed seven years from the date the original loan was made.

“(d) No person who has failed to liquidate his indebtedness under this section for seven consecutive years shall be eligible for loans hereunder until he has paid such indebtedness in full, except that the indebtedness on loans made prior to November 1, 1946, which are being serviced and collected by the Farmers Home Administration, shall not be subject to the limitations of this section until November 1, 1953.”

SEC. 3. Amend section 44 (c) by changing the period at the end of said section to a colon and adding the following proviso: “*Provided, however,* That in the case of mortgage loans heretofore or hereafter insured under this title, the Secretary may at his discretion delay his request for refinancing until the borrower has acquired a sufficient equity in the farm to enable the holder of the insured mortgage to refinance the loan on an uninsured basis under laws or regulations to which he may be subject.”

SEC. 4. Amend section 48 by adding at the end of said section the following sentence: "The foregoing requirements shall not preclude establishing the initial annual payment at a date not exceeding two full crop years from the date of the loan where the Secretary determines that farm income sufficient to make the initial payment cannot be readily anticipated at an earlier date, but this provision shall not have the effect of extending the maximum term of any loan."

Approved August 23, 1951.

